



**Notice of a public meeting of
Corporate and Scrutiny Management Committee (Calling In)**

To: Councillors Galvin (Chair), Burton, D'Agorne, Fraser, Horton, Hyman, King, Potter, McIlveen, Runciman (Vice-Chair) and Steward

Date: Monday, 19 January 2015

Time: 5.00 pm

Venue: The Thornton Room - Ground Floor, West Offices (G039)

AGENDA

1. Declarations of Interest

At this point, Members are asked to declare:

- any personal interests not included on the Register of Interests
- any prejudicial interests or
- any disclosable pecuniary interests

which they may have in respect of business on this agenda.

2. Public Participation

It is at this point in the meeting that members of the public who have registered to speak can do so. The deadline for registering is **5.00pm on Friday 16 January 2015**. Members of the public can speak on agenda items or matters within the remit of the committee.

To register to speak please contact the Democracy Officer for the meeting, on the details at the foot of the agenda.

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http://www.york.gov.uk/downloads/download/3130/protocol_for_webcasting_filming_and_recording_of_council_meetings

- 3. Minutes** (Pages 1 - 8)
To approve and sign the minutes of the last meeting of the Committee held on 31 October 2014.
- 4. Called In Item: Jockey Lane Pedestrian and Cycle Improvement Scheme** (Pages 9 - 32)
To consider the decisions made by the Cabinet Member for Transport at his Decision Session held on 11 December 2014 in relation to the above item, which has been called in by Councillors D'Agorne, Orrell and Runciman in accordance with the Council's Constitution. A cover report is attached setting out the reasons for the call-in and the remit and powers of the Corporate and Scrutiny Management Committee (Calling-In) in relation to the call-in, together with the original report and the decisions of the Cabinet Member.

5. Called In Item: York Guildhall and Riverside creating a Digital Media and Arts Centre (Pages 33 - 66)

To consider the decisions made by the Cabinet at their meeting held on 16 December 2014 in relation to the above item, which has been called in by Councillors Aspden, Cuthbertson and Waller in accordance with the Council's Constitution. A cover report is attached setting out the reasons for the call-in and the remit and powers of the Corporate and Scrutiny Management Committee (Calling-In) in relation to the call-in, together with the original report and the decisions of Cabinet.

6. Urgent Business

Any other business which the Chair considers urgent under the Local Government Act 1972.

Democracy Officer:

Name : Jill Pickering

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For more information about any of the following please contact the Democratic Services Officer responsible for servicing this meeting:

- Registering to speak
- Business of the meeting
- Any special arrangements
- Copies of reports and
- For receiving reports in other formats

Contact details are set out above.

This information can be provided in your own language.

我們也用您們的語言提供這個信息 (Cantonese)

এই তথ্য আপনার নিজের ভাষায় দেয়া যেতে পারে। (Bengali)

**Ta informacja może być dostarczona w twoim (Polish)
własnym języku.**

Bu bilgiyi kendi dilinizde almanız mümkündür. (Turkish)

یہ معلومات آپ کی اپنی زبان (بولی) میں بھی مہیا کی جاسکتی ہیں۔ (Urdu)

 (01904) 551550

City of York Council

Committee Minutes

Meeting	Corporate and Scrutiny Management Committee (Calling In)
Date	31 October 2014
Present	Councillors Galvin (Chair), Aspden (sub for Cllr Runciman), Burton, Fitzpatrick (sub for Cllr Fraser), Horton, Hyman, King, McIlveen, Potter, Steward and Taylor (sub for Cllr D'Agorne)
In attendance	Councillors Brooks, Doughty, Reid, Richardson and Watson
Apologies	Councillors Fraser, Runciman and D'Agorne

17. **Declarations of Interest**

At this point in the meeting, Members were asked to declare any personal interests not included on the register of interests, any prejudicial interests or any disclosable pecuniary interests which they might have in respect of the business on the agenda.

Councillor Taylor declared a personal non prejudicial interest in relation to the called-in item, as a life member of the York Civic Trust, in respect of the Trust's interest in the Castlegate premises.

18. **Public Participation**

It was reported that there had been eight registrations to speak at the meeting under the Council's Public Participation Scheme and that three Members of the Council had also requested to speak.

Heidi Haywood, spoke as manager of the Door 84 Youth Club, to express her concerns at the proposed changes to the services currently provided at Castlegate. She referred to the proposed move to West Offices, which would be the first point of contact for vulnerable young people, and highlighted the unsuitability of the building. She requested members not to

support the proposed changes and support relocation to a building dedicated to young people.

Dr Stephen Wright spoke as a local resident and early intervention psychiatrist referring to the successful work undertaken at Castlegate. In particular he referred to the need for more outreach work with young people around mental health issues and to future problems if any barriers were put in the way of young people gaining access to help when required. He highlighted the need for agencies to work together, combining resources to provide early assistance and for further consultation.

David Smith referred to his campaigning over mental health issues in the city over a number of years. He referred to Castlegate, a service set up by the Council specifically to meet the needs of young people, a popular, safe and effective place. He highlighted the inappropriateness of West Offices and referred to references, both in the Joint Strategic Needs Assessment and from the Health and Wellbeing Board in which they recommended improvements in mental health in the city and the need for early intervention. He also referred to a lack of consultation with those affected which included the Clinical Commissioning Group and the Voluntary Sector.

Hannah Jobling, spoke as a Lecturer in Social Work at the University of York, highlighting the specialist work provided by Castlegate. She referred to the breadth of knowledge available, and to the lifetime of savings the service provided from a small investment in young peoples services. She reiterated the need for early intervention and to a holistic approach provided with partners asking that young people should not bear the brunt of the cuts.

Lara Foster spoke in support of the Castlegate petition, pointing out that the centre provided a lifeline for young people. She referred to her experiences of using Castlegate, to the services it offered and to the invaluable help it had provided. She pointed out that the centre had enabled her to turn her life around and the debt she owed the service.

Dawn Moores spoke to ask Members to reconsider their decision in relation to the Castlegate Centre and its services. She confirmed that staff were looking at alternative plans for the provision however this would prove to be difficult prior to the 31

March 2015 deadline. She referred to numerous strategies and plans which all promoted the need for a holistic and wraparound approach to dealing with young people's services.

John Walker spoke on behalf of York Action on Young Homeless. He circulated copies of the 22nd edition of the Young People's Survival Guide to York, a booklet produced by Castlegate but in conjunction with many other bodies. He highlighted the usefulness of the guide to young people and to the possibility that this would not continue following the proposed changes. He referred to the need to invest in prevention and asked the Committee to listen to young people and continue with the swift holistic interventions.

Councillor Richardson expressed his support for the work carried out at Castlegate and to the unique services offered to young people. He highlighted the trust built up between young people and the youth and community workers which he felt would not be possible in the setting of West Offices. He requested the Committee to find similar alternative premises or retain Castlegate.

Councillor Brooks spoke to confirm that many of her points had been covered by earlier speakers. She pointed out that Members should no longer be in any doubt about the excellent services provided at Castlegate and to the inadequacy of West Offices to provide a confidential and personal setting in which young people could gain advice. She referred to the lack of consultation, pointing out that any budget savings made from the changes would result in additional costs in the future.

Councillor Scott had also registered to speak at the meeting but, in his absence, Councillor King read his comments. As the Children's and Young People's Champion, when Castlegate had been opened, Cllr Scott referred to the extensive consultation carried out in order to gain the views of young people on facilities at Castlegate. He indicated that a suitable alternative city centre location for the service needed to be found as West Offices would be a barrier to vulnerable young people gaining access to these vital services. He requested referral back of the recommendations to allow Cabinet to reconsider the decisions made.

19. Minutes

Resolved: That the minutes of meetings of the Committee, held on 26 September and 8 October 2014 be approved and signed by the Chair as correct records.

20. Called In Item: Rewiring of Public Services: Business Case for Children's Services

Members received a report which asked them to consider the decisions made by the Cabinet, at their meeting held on 9 October 2014, in relation to the Children's Services, Education and Skills Transformation Programme. This included approval of the Business Cases for Early Years, Services to Young People and the School Improvement and Skills Service but in particular the proposals for the services run from Castlegate.

Details of the Cabinet's decision were attached at Annex A to the report and the original report to the Cabinet meeting, attached at Annex B.

The original decision had firstly been called in by Councillors Brooks, Douglas and Doughty on the following grounds:

- The current location of Castlegate is far less imposing than for example West Offices and the move would therefore be worse for young and especially disengaged people
- It is at odds with the Health & Wellbeing Strategy & Joint Strategic Needs Assessment and their emphasis on the greater need for counselling as a preventative service.
- It flies in the face of the government parity of esteem for mental health services.
- There has been inadequate consultation with the most affected groups.
- The budgetary savings may not materialise if, as a result of the change of location, the current uptake of the service is not maintained and the number of Not in Employment, Education or Training (NEETS) rises.

Secondly the decision had been called in by Councillors Aspden, D'Agorne and Runciman who were opposed to the

decision to close Castlegate and re-locate the remaining services to West Offices for the following reasons:

- When Castlegate opened 2007, it brought together a number of agencies and different funding streams to offer a comprehensive support service for young people in a user-friendly, accessible and flexible location.
- Through offering effective support and advice the centre has an outstanding track-record of helping keep young people safe, healthy, off drugs, out of the criminal justice system, in suitable accommodation and in work.
- This effective early-intervention is crucial in many areas, including mental health where half of all diagnosable conditions start by the age of 14 and 75% by the age of 21.
- The closure of Castlegate, cuts in services, and the re-location of remaining services to West Offices jeopardises all this work and abandons the commitment to effective early-intervention.
- West Offices – a large, public and corporate building – is not a suitable location for the services which will remain.
- This decision has been taken with little consultation or prior notice and without properly considering alternatives.
- We would urge Cabinet to withdraw the proposal and, at the very least, delay the closure of Castlegate in order to ensure that other options, such as suitable co-location with another service, can be considered.

The Chair referred to the following additional information which had been circulated at the meeting:

- Email from Dr Louise Barker, Mental Health clinical lead for the Vale of York Clinical Commissioning Group, expressing her concern regarding the closure of Castlegate. In particular in relation to the knock on effects on health services, particularly primary care and psychological therapies, when there were already capacity problems.
- Statement from Heather McKenzie, on behalf of UNISON, confirming their support for a review being taken of the

decision and requesting proper consultation with service users, staff and other stakeholders.

Councillor Doughty addressed the meeting on behalf of the first group of Calling In members. He confirmed their principle concern related to the suitability of the alternative venue and young people's access to services. He highlighted the need for early intervention and questioned how the proposed changes would support the new Health and Wellbeing Strategy. He also expressed concern at a reference, in the Fairfax House newsletter, to a bid by the York Civic Trust to the Heritage Lottery Fund for the purpose of acquiring Castlegate, the adjacent property. To ensure transparency he requested the Committee recommend that further consideration of the proposals be deferred to allow full consultation with all concerned and to examine alternative venues for the service.

Councillor Reid, addressed the meeting on behalf of the second group of Calling In members. She referred to the high level of concern raised by professionals, residents and users of the Castlegate services and to the value everyone put on the services they provided. She highlighted the benefits of early intervention work saving money in the long term. She also asked members to support Option b and recommend withdrawal of the proposed changes in order to allow Officers to bring forward alternative proposals and funding.

Councillor Williams, as Cabinet Member for Finance and Performance, confirmed that there had been no discussions with Fairfax House regarding the sale of the Castlegate premises. He highlighted the need for the authority to make £23m savings over the next few years and of the need to ensure that any services provided aligned more closely with the public's requirements. He confirmed that the services would not stop with the move to West Offices, just a service relocation and that works would be undertaken to ensure that access was more user friendly. However, in view of the concerns raised, he confirmed that Cabinet would re-examine the proposals, undertake further consultation but asking members to note that alternative budget savings would have to be made.

Councillor Looker, as Cabinet Member for Education, Children and Young People, confirmed that, with the removal of budgets, the changes proposed for Castlegate had not been an easy decision. She referred to additional work which would be carried

out jointly between the Clinical Commissioning Group and Adult Mental Health services to support young people. She also asked Members to note that, if West Offices was difficult to access for vulnerable young people then this would also apply to vulnerable adults, this was therefore an opportunity to improve accessibility for all.

The Director of Children's Services, Education and Skills spoke to clarify details of the proposals for the three interlinked services and the financial costs. He confirmed that the authority were required to provide the Connexions service for 13-19 year olds and for those young people not in education, employment or training (NEET's) together with those at risk of becoming NEET's, no changes were proposed to these services. No changes were also proposed to the Counselling services for 16-25 year olds. Changes would however impact on the generic advice provided for the 19 to 25 year old group, this service would be relocated to West Offices and included support in respect of housing, housing benefit, education and health needs. He confirmed that alternative buildings around the city had been investigated however, none had been adequate for the provision. West Offices would, he confirmed be adapted to ensure that it was accessible and welcoming to all.

All Members acknowledged the range of issues raised and thanked all the earlier speakers for their comments and input into the meeting.

Councillor Potter then moved and Councillor Horton seconded, that Option b be approved and that the decision be referred back to Cabinet for reconsideration together with suggestions for alternative funding.

Following further discussion, Councillor Aspden confirmed his support for the reference back, subject to the addition of the following specific recommendation, *'that Cabinet withdraw the proposals and delay the closure of Castlegate in order to allow time for Officer's to bring forward a report detailing all options, including a suitable location and alternative funding options and for these options to be properly considered and consulted upon.'*

It was then

Resolved: That Option B be approved and that the decision of Cabinet be referred back with a recommendation that Cabinet withdraws the proposals and delays the closure of Castlegate in order to allow time for Officer's to bring forward a report detailing all options, including a suitable location and alternative funding options and for these options to be properly considered and consulted upon.

Reason: In accordance with the requirements of the Council's Constitution.

Cllr J Galvin, Chair
[The meeting started at 5.00 pm and finished at 6.50 pm].



**Corporate and Scrutiny Management Committee
(Calling – In)**

19 January 2015

Report of the Assistant Director, Governance and ICT

Called-in Item: Jockey Lane Pedestrian and Cycle Improvement Scheme

Summary

1. This report sets out the reasons for the call-in of the decision made by the Cabinet Member for Transport on 11 December 2014 in relation to the revised Jockey Lane Pedestrian and Cycle Improvement Scheme. The scheme was first reported to a Decision Session on 14th November 2013 and approval was given to implement the works subject to agreement with the landowners of Portakabin's site regarding the transfer of land for use as additional footway area.
2. The Cabinet Member was updated that Portakabin, following a change in management, were not now willing to dedicate the parcel of land required to facilitate the proposed scheme. As a result of not being able to acquire the land through dedication, alternative options had been developed (see Annex B, to the original report, page 27 for full details).
3. This cover report sets out the powers and role of the Corporate and Scrutiny Management Committee in relation to dealing with the call-in.

Background

4. An extract from the Decision Sheet issued after the Cabinet Member Decision Session is attached as Annex A to this report. This sets out the decisions taken by the Cabinet Member on the called-in item. The original report to the meeting on the called-in item is attached as Annex B to this report.
5. The Cabinet Member's decision has been called in by Cllrs D'Agorne, Orrell and Runciman for review by the Corporate and Scrutiny Management Committee (CSMC) (Calling-In), in accordance with the constitutional requirements for call-in. Although the Members continue to support improvements on Jockey Lane, they have a number of concerns and give the following reasons for the call-in:

- *Proper consideration was not given to the installation of a right turn into the Range store as requested by Ward Members in 2013 and again in 2014*
- *The failure to include the updated design of the cycle route across the access roads in the published documents meaning that comments could not be made on the proposals.*
- *Proper consideration was not given to the request by Ward Members to resurface a greater section of Jockey Lane*
- *The positioning of the Toucan crossing close to Kathryn Avenue traffic lights.*

Consultation

6. In accordance with the requirements of the Constitution, the calling-in Members have been invited to attend and/or speak at the Call-In meeting, as appropriate.

Options

7. The following options are available to CSMC (Calling-In) Members in relation to dealing with this call-in, in accordance with the constitutional and legal requirements under the Local Government Act 2000:
 - a. To decide that there are no grounds to make specific recommendations to the Cabinet in respect of the report. If this option is chosen, the original decision taken on the item by the Cabinet Member on 11 December 2014 will be confirmed and will take effect from the date of the CSMC (Calling-In) meeting; or
 - b. To make specific recommendations to the Cabinet on the report, in light of the reasons given for the call-in. If this option is chosen, the matter will be reconsidered by Cabinet at a meeting of Cabinet (Calling-In) to be held on 27 January 2015.

Analysis

8. Members need to consider the reasons for call-in and the report to the Cabinet and form a view on whether there is a basis to make specific recommendations to the Cabinet in respect of the report.

Council Plan

- 9. There are no direct implications for this call-in in relation to the delivery of the Council Plan and its priorities for 2011-15.

Implications

- 10. There are no known Financial, HR, Legal, Property, Equalities, or Crime and Disorder implications in relation to the following in terms of dealing with the specific matter before Members; namely, to determine and handle the call-in.

Risk Management

- 11. There are no risk management implications associated with the call in of this matter.

Recommendations:

- 12. Members are asked to consider all the reasons for calling in this decision and decide whether they wish to confirm the decisions made by the Cabinet or refer the matter back for reconsideration and make specific recommendations on the report to Cabinet.

Reason: To enable the called-in matter to be dealt with efficiently and in accordance with the requirements of the Council's Constitution.

Contact details:

Author:

Dawn Steel
Head of Civic &
Democratic Services
01904 551030

Chief Officer Responsible for the report:

Andrew Docherty
Assistant Director, Governance and
ICT

Report Approved **Date** 7 January 2015

Specialist Implications Officer(s) None

Wards Affected:

All

For further information please contact the author of the report

Annexes

Annex A – Extract from the Decision Sheet produced following the Cabinet Member Decision Session on the called-in item.

Annex B – Report of the Director of City and Environmental Services to the Decision Session on 11 December 2014

Background Papers

None

CABINET MEMBER FOR TRANSPORT DECISION SESSION**THURSDAY, 11 DECEMBER 2014*****Extract from DECISIONS Sheet***

Set out below is a summary of the decisions taken at the Cabinet Member for Transport meeting held on Thursday, 11 December 2014. The wording used does not necessarily reflect the actual wording that will appear in the minutes.

Members are reminded that, should they wish to call in a decision, notice must be given to Democracy Support Group no later than **4.00pm** on .

If you have any queries about any matters referred to in this decision sheet please contact Laura Bootland (01904) 552062.

8. Jockey Lane Pedestrian and Cycle Improvement Scheme

- Resolved: That the Cabinet Member:
- (i) Delegated authority to the Director of City and Environmental Services to make alterations to the scheme to incorporate the Safety Audit in Annex C.
 - (ii) Required the Director of City and Environmental Services to be satisfied as to the safety of the scheme.
- Reason: In order to receive additional information in regards to safety.

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Decision Session - Cabinet Member for Transport**11th December 2014**

Report of the Director of City and Environmental Services

JOCKEY LANE PEDESTRIAN AND CYCLE IMPROVEMENT SCHEME**Summary**

1. This report sets out a revised scheme proposal in response to a land ownership problem that has arisen since the previous scheme was approved.

Recommendation

2. That the Cabinet Member for Transport approves the scheme as proposed in Annex C for implementation, subject to funding being available.

Background

3. The proposed scheme as shown in Annex A was reported to Decision Session on 14th November 2013 and approval was given to implement the works subject to agreement with the landowners of Portakabin's site regarding the transfer of land for use as additional footway area.
4. In response to comments made by ward members during initial consultation, the Cabinet Member also approved changing the speed limit on Jockey Lane from 40mph to 30mph from the gateway adjacent to the Range superstore exit through to Monks Cross. As part of this, new gateways would be installed at the start of dual carriageway and at the north east roundabout adjacent to the entrance to Monks Cross retail centre car park.
5. The introduction of loading restrictions between the bus stop (opposite Sainsbury's loading entrance) and Forge Close was also approved to deter offloading from car transporters.

6. The measures to introduce the speed limit, gateways and loading restrictions have been implemented. However, Portakabin, following a change in management, are not now willing to dedicate the parcel of land required to facilitate the proposed scheme. Portakabin have offered the land under lease to the Council, but expressed that they could withdraw the lease at any time. This would not be acceptable to CYC and as such the introduction of the previously approved scheme is unachievable.
7. As a result of not being able to acquire the land through dedication, alternative options have been developed. This is shown in Annex B and is outlined below. An alternative is shown in Annex D.

Outline Proposals

8. There are two main problems within this section of Jockey Lane. Firstly, there is no facility for pedestrians (and prospective cyclists) to cross the road. Secondly, there is no protection for cyclists wishing to continue off road along Jockey Lane between the two sections of existing off road facilities.
9. The provision of a new controlled crossing is considered to be necessary to safely allow pedestrians and cyclists to cross Jockey Lane to access the off-road facilities being provided. Because of the fact that land adjacent to Portakabin's site is not available via dedication, the proposed crossing has had to be relocated. In the revised scheme, shown in Annex B, this is relocated to a point immediately east of Sainsbury's access. This allows widening of the footway to the south side of Jockey Lane to introduce the new off-road facilities.
10. In order to comply with current CYC highway maintenance practice, the proposals include a change in treatment to the existing road surface leading up to the crossing. Where antiskid surface treatments would usually be used in advance of a crossing facility, a replacement of the existing surface with a higher skid resistant material would improve safety whilst also reducing future maintenance costs.
11. The provision of a Toucan crossing (preferred option) would require a new power supply - usually this would cost in the region of £750 if a supply source is available. In this location there is no readily available supply for the new crossing. The cost of providing the supply amounts to £15k at this location and this was only confirmed by Northern Power Grid

received on 20th October 2014. The increased costs associated with the provision of the power supply would result in the cost associated with providing the scheme exceeding the current allocated budget. Even without this additional cost the latest estimate for this scheme is £140k, which together with the electrical costs exceeds the 2014/15 allocation by £38k (£155k c/f £117k). In light of this, an alternative proposal has been included for consideration (shown in Annex D) and this can be achieved at a cost within budget as the lesser power supply demands can be taken directly from a street lighting column.

Consultation

12. A consultation exercise for the original scheme was carried out in September 2013. This involved Ward Members, Parish Council, party group representatives, local businesses and residents, as well as relevant road user organisations. A number of points were raised by the Parish Council and Ward Members and these were reported to the Cabinet Member Decision Session meeting in November 2013. As noted in paragraphs 4 and 5 above, additional measures were introduced in response to the members' comments.
13. Further consultation has been undertaken for the revised proposals shown in Annex B, and the feedback is outlined below.
14. No external consultation has been undertaken on the alternative option shown in Annex D.

Ward Member Views

15. Councillors Hyman and Runciman have made no additional comments.
16. Councillor Orrell requested confirmation of the extent of the road resurfacing under the proposed scheme and suggested extending the amount of resurfacing up to the traffic lights at Kathryn Avenue.

Officer Response: CYC Highways Maintenance have confirmed that, although no additional surfacing works have been programmed on Jockey Lane, the condition of the road beyond the area covered by the proposed surfacing at the crossing will be reviewed. If any areas are identified which are in breach of intervention levels, these will be patched and repaired.

Political Party Views

17. Councillor D'Agorne requested that carriageway edge detail be looked at where the proposed cycle/footway crossed two entrances/exits, with the aim of giving cyclists priority or highlighting to drivers that cyclists and pedestrians may be present.

Officer Response: after internal discussion, it is now proposed that the access/egress points along Jockey Lane will be marked out as shown in the drawing in Annex C.

18. Councillors Reid and Steward made no additional comments.

Parish Council Views

19. The Parish Council had no additional comments.

Local Business Views

20. Portakabin requested confirmation that no change is being made to the kerb line outside their Gate G, and raised concerns of queues forming at peak times along Jockey Lane due to the close proximity of two sets of traffic signals.

Officers Response: Portakabin have been advised that the kerb line outside Gate G is not to be altered, and that monitoring of the signals will be undertaken to determine if there is any increase in queuing at peak times.

21. The other businesses had no additional comments.

User Group Views

22. The user groups externally consulted had no additional comments.

Safety Audit

23. The Safety Audit is to be carried out on the revised layout soon. The key points coming out of this will be reported upon as soon as it is available (either in an update of this written report or given orally at the meeting).

Options & Analysis

24. There are four options available:

- i. Implement the revised scheme as proposed and consulted on (Annex B)
- ii. Implement the revised scheme as proposed in Annex B but make further adjustments in response to the consultation feedback (Annex C)
- iii. Implement the scheme as in Option i or ii, but with the revisions to the crossing point as shown in Annex D.
- iv. Do Nothing.

Option (i)

Implementation of the scheme as shown in Annex B would achieve the objectives and provide a safer facility for pedestrians and cyclists to use, linking the two sections of existing off-road facilities. This proposal would be preferred as it complies with current guidance. However an increased allocation would be required to deliver the scheme due to the higher power supply costs.

The measures already introduced serve to make the scheme safer by limiting vehicular speeds and by controlling on-street parking/loading along Jockey Lane.

Option (ii) – **Recommended Option**

Implementation of the proposals in Annex B, with modifications to address the feedback received through consultation, would still achieve the objectives of the scheme.

As mentioned in paragraph 17, it is proposed that the access/egress points along Jockey Lane will be marked out as shown in the drawing in **Annex C**, although, as mentioned in paragraph 23, the Safety Audit Team has yet to put forward their recommendations.

Paragraph 16 confirms that no additional surfacing works have been programmed on Jockey Lane. However, the condition of the road beyond the area covered by the proposed surfacing at the crossing will be reviewed and if any areas are identified which are in breach of intervention levels, these will be patched and repaired.

The estimated cost of delivering this option exceeds the original budget for the scheme due to the higher power supply costs. An increased allocation is proposed in the Capital Programme Monitor 1 report which is also being considered at this meeting. Subject to the approval of the revised allocation this option could be delivered in 2014/15.

Option (iii)

Implementation of the scheme as listed in the Options above (i or ii) with modifications to the crossing point as shown in Annex D is achievable within budget, primarily due to being able to take a power supply directly from an adjacent street lighting column.

This alternative type of controlled crossing, referred to as a Tiger, is not a conventional type as included within the Traffic Signs and General Directions (TSRGD) 2002 guidance although it is currently being considered by DfT for inclusion within the revised TSRGD, due to be published in 2015. Although not a currently approved layout, it is understood that the arrangement has been trialled in London and Cambridge. However, it is understood that DfT approval hasn't been given to the trialled schemes.

If approval is needed from DfT to implement such an arrangement, then a more conventional zebra arrangement could be provided until such approval is obtained or until the layout is included in the TSRGD.

Option (iv)

Doing nothing will not achieve the objectives of providing a safe off-road facility for pedestrians and cyclists along this section of Jockey Lane and will not provide the link between the two existing facilities. It will not meet the Council's priorities of promoting use of sustainable transport.

Council Plan

25. The potential implications for the priorities in the Council Plan are:

- i. Get York Moving - If implemented, the proposed measures would encourage walking and cycling by providing real alternatives to the use of the private motor vehicle for journeys around this area and further afield.
- ii. Protect the environment - A reduction in the use of private motor vehicles would lead to a reduction in carbon emissions.

- iii. Protect vulnerable people – A safer highway environment would benefit the local community.

Implications

26. This report has the following implications:

- **Human Resources** – None.
- **Financial** –
 - The current allocation for the scheme in 2014/15 is £117k. The scheme is funded through the LSTF programme.
 - £11.8k had been incurred in 2013/14 (£7k fees and £4.8k speed limit works) and a further £2.3k has been incurred within 2014/15 for the completion of the speed limit works. The 2013/14 figure does not include £21k of abortive fees incurred progressing the original option.
 - For the reasons outlined earlier, an additional £38k in the 2014/15 budget allocation would be required to deliver the proposed Toucan option, which is estimated at £155k (excluding the additional road surfacing), whilst the alternative (Tiger) option can be provided for £107.5k. As mentioned in paragraph 24, approval for an increased budget allocation to implement the preferred proposal (Option ii) is being sought and proposed in the Capital Programme Monitor 1 report.
 - The revised options include for an amount of surfacing outside the area covered by this project. CYC Highways Maintenance have confirmed that, although no additional surfacing works have been programmed on Jockey Lane, the condition of the road beyond the area covered by the proposed surfacing at the crossing will be reviewed. If any areas are identified which are in breach of intervention levels, these will be patched and repaired. This surfacing will cost approximately £8,000, funded through the maintenance budget if available.
- **Equalities** – It is likely that the elderly and some disabled people would benefit from these safety improvements.

- **Legal** – The City of York Council, as Highway Authority, has powers under the Highways Act 1980 and associated Road Traffic Regulations Act 1984, and the Town and Country Planning (General Permitted Development) Order 1995 to implement the measures proposed.
- **Crime and Disorder** – None
- **Information Technology** - None.
- **Land** – None
- **Other** – None.

Risk Management

27. In compliance with the Council’s risk management strategy, the following risks associated with the recommendations in this report have been identified and described in the following points, and set out in the table below:
28. Health and safety – the risk associated with this is in connection with the road safety implications of the final layout, and has been assessed at 6.
29. Authority reputation – this risk is in connection with public perception of the Council not undertaking a project that has been consulted upon and is assessed at 2.

Risk Category	Impact	Likelihood	Score
Health and safety	Moderate	Remote	6
Organisation/ Reputation	Minor	Remote	2

Together these produce a risk score of 8, which being in the 6-10 category means that the risks have been assessed as being “Low”. This level of risk requires regular monitoring.

Contact Details

Author:

Mark Reade
Engineer
Transport Projects
Highways
Tel: (01904) 553519

Chief Officer:

Neil Ferris
Assistant Director
Transport, Highways and Waste

Report
approved:



Date: 02.12.2014

Specialist Implications Officer(s)

There are no specialist implications.

Wards Affected: Huntington and New Earswick

For further information please contact the author of the report.

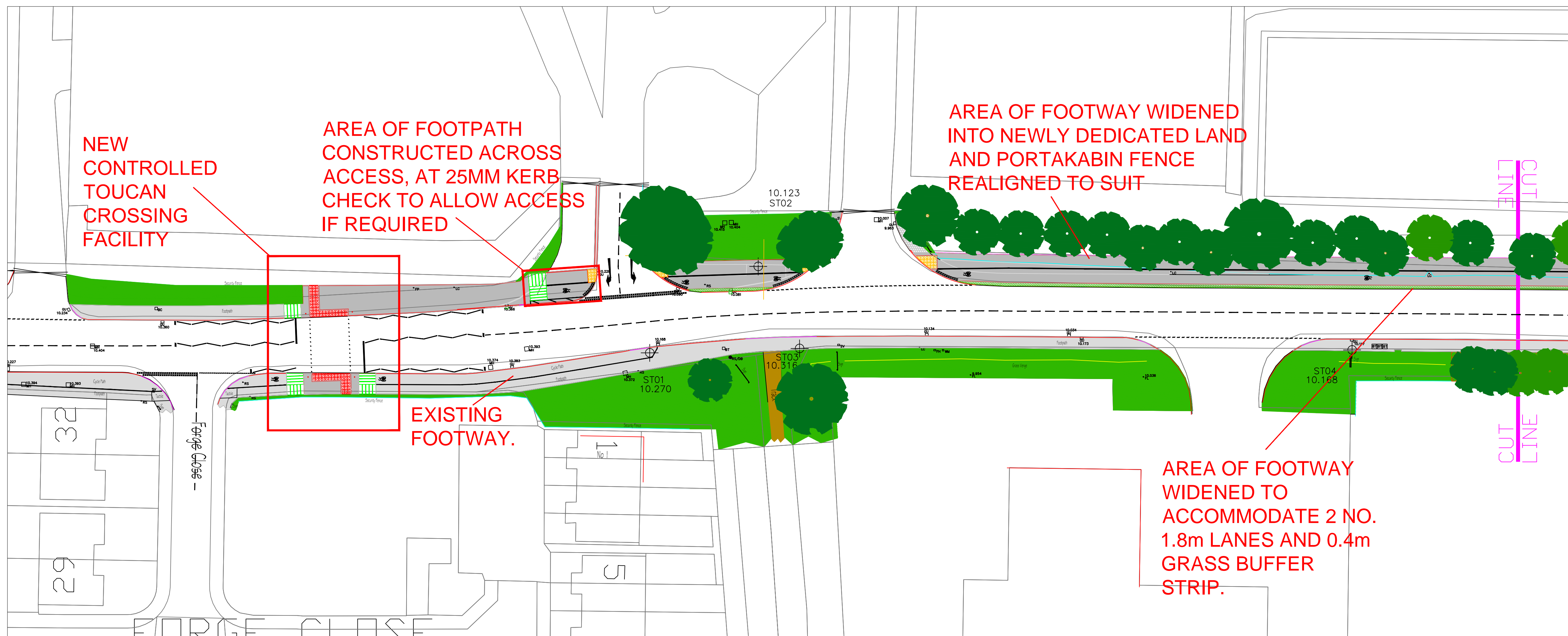
Background Papers

Report to Cabinet Member Decision Session meeting 14th November 2013 and associated decision.

Annexes

- Annex A General Layout (previously approved scheme)
- Annex B General Layout of proposed scheme
- Annex C General Layout of proposed scheme including amendments in light of the consultation
- Annex D General Layout of alternative “Tiger” crossing

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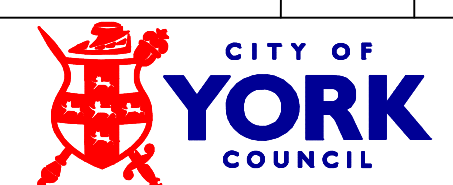


REV	AMENDMENTS	DATE

Jockey Lane Segregated Cycle/Pedestrian Footway Improvement
General Layout

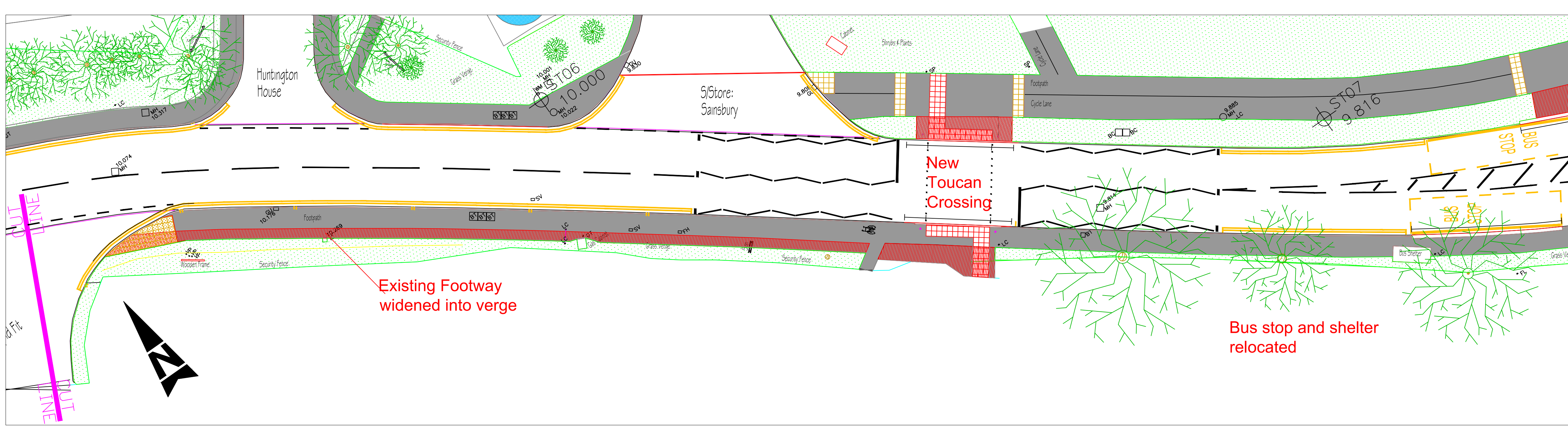
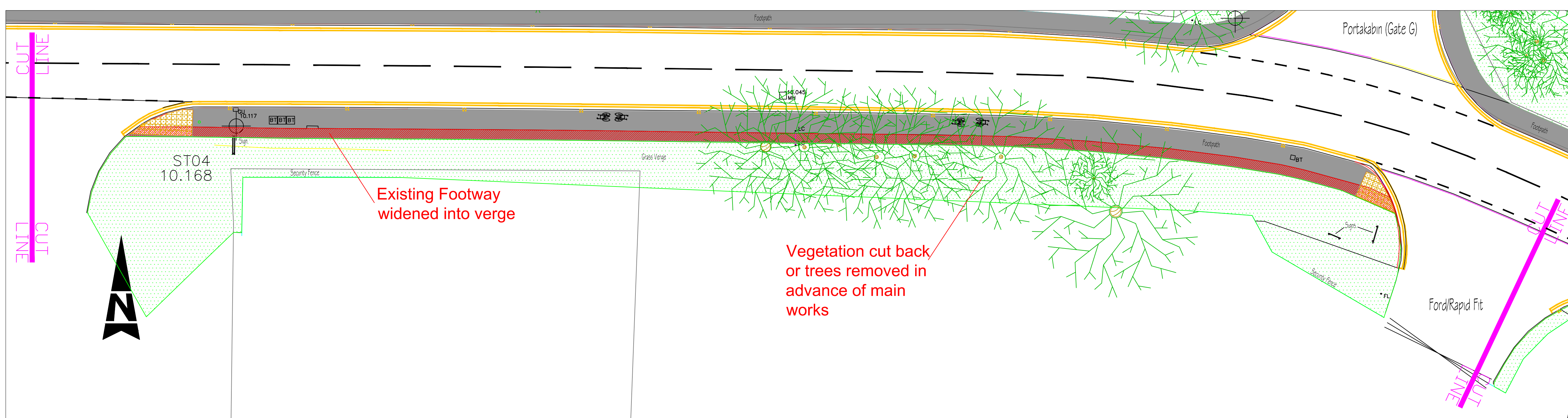
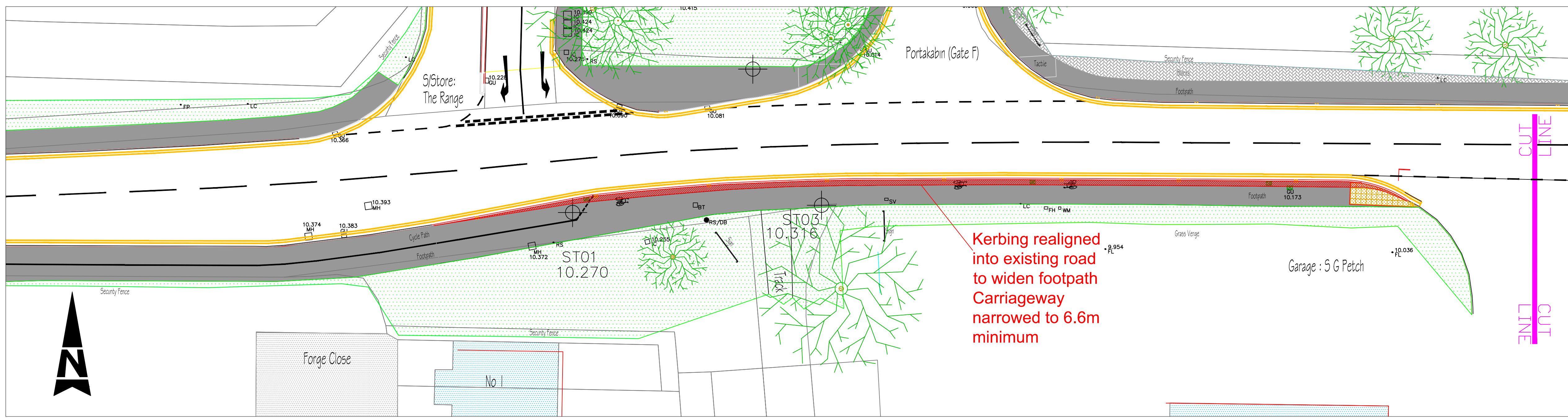
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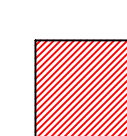


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Legend:-

 Areas hatched in red denote areas of widening

Notes:-

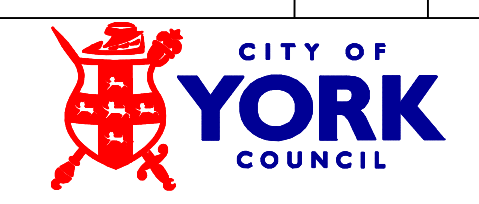
1. All lighting columns affected by the works to be set back by 1.0m
2. New kerbs to be HB2 with 100mm check
3. No change to permanent signage
4. Temporary signs to be erected for new signals
5. High AAV bituminous material surfacing to be done 50m in advance of new stop lines to crossing.

REV	AMENDMENTS	DATE

Jockey Lane Toucan Crossing
General Layout

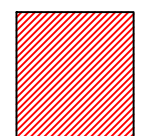
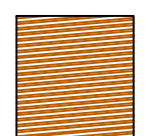
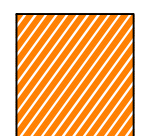
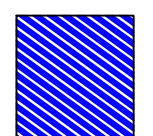
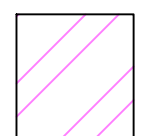
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- Legend:-**
-  Areas of footway widening
 -  Corduroy tactile paving
 -  Ladder tactile paving
 -  Tramline tactile paving
 -  New High-friction Inlay Surfacing

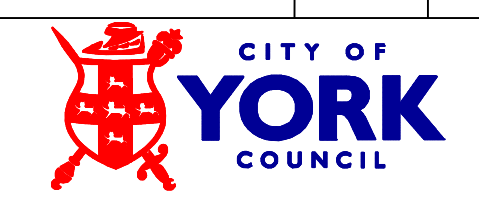
- Notes:-**
1. All lighting columns affected by the works to be set back by 1.0m
 2. New kerbs to be HB2 with 100mm check
 3. All existing signs to be checked for compliance,
 4. New signs to be mounted on available existing poles/lighting columns or new poles or wooden bollards
 5. Temporary signs to be erected for new signals
 6. High friction bituminous material surfacing to be done 50m in advance of new stop lines to the crossing.

REV	AMENDMENTS	DATE

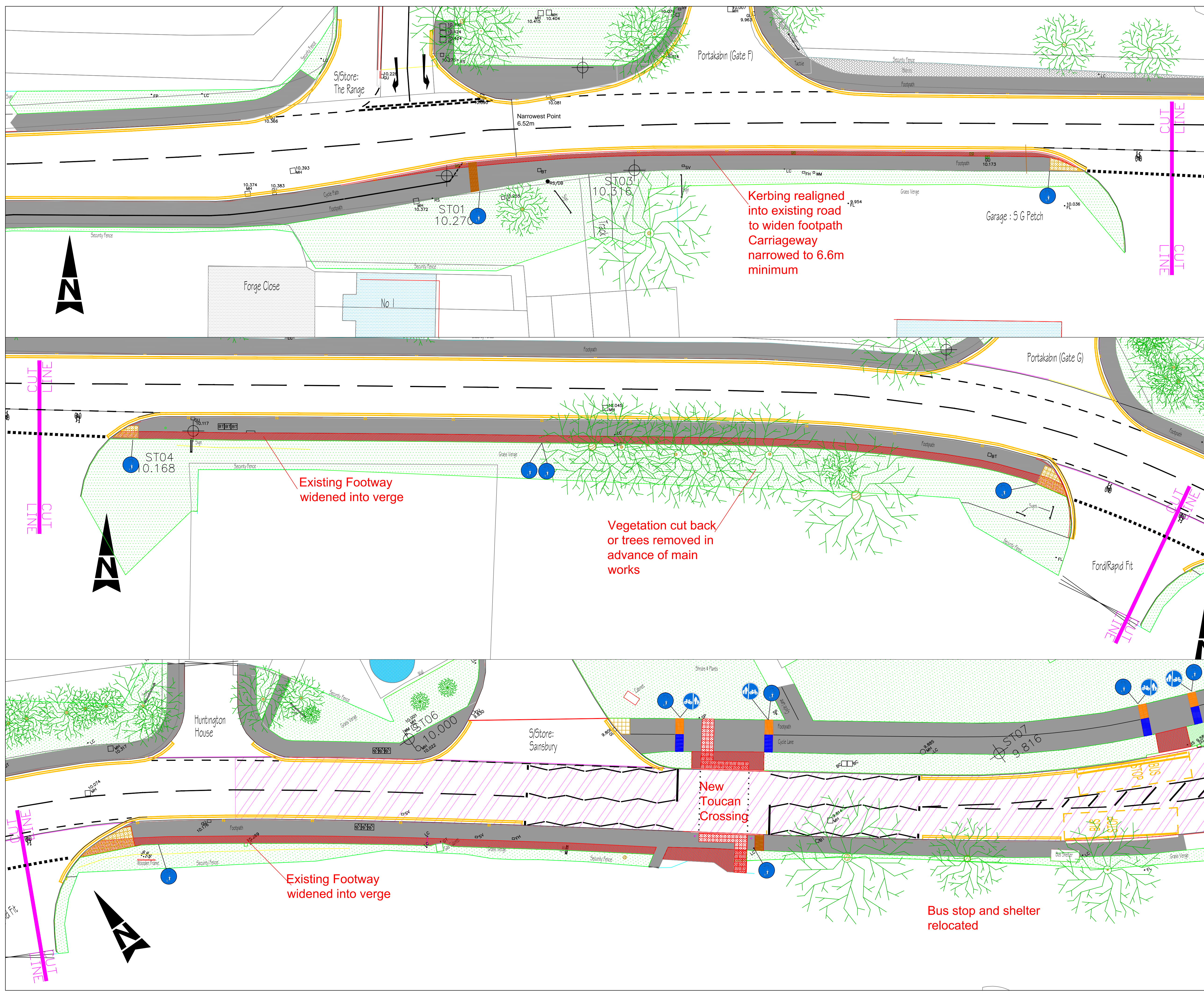
Jockey Lane Toucan Crossing
General Layout

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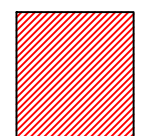
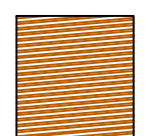
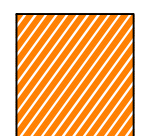
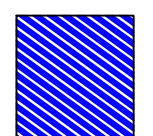
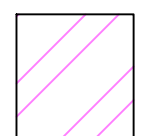
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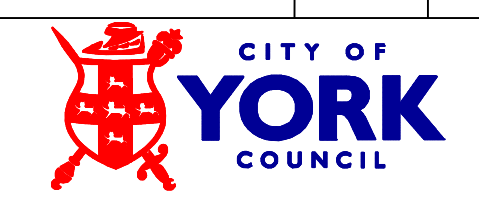
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REV	AMENDMENTS	DATE

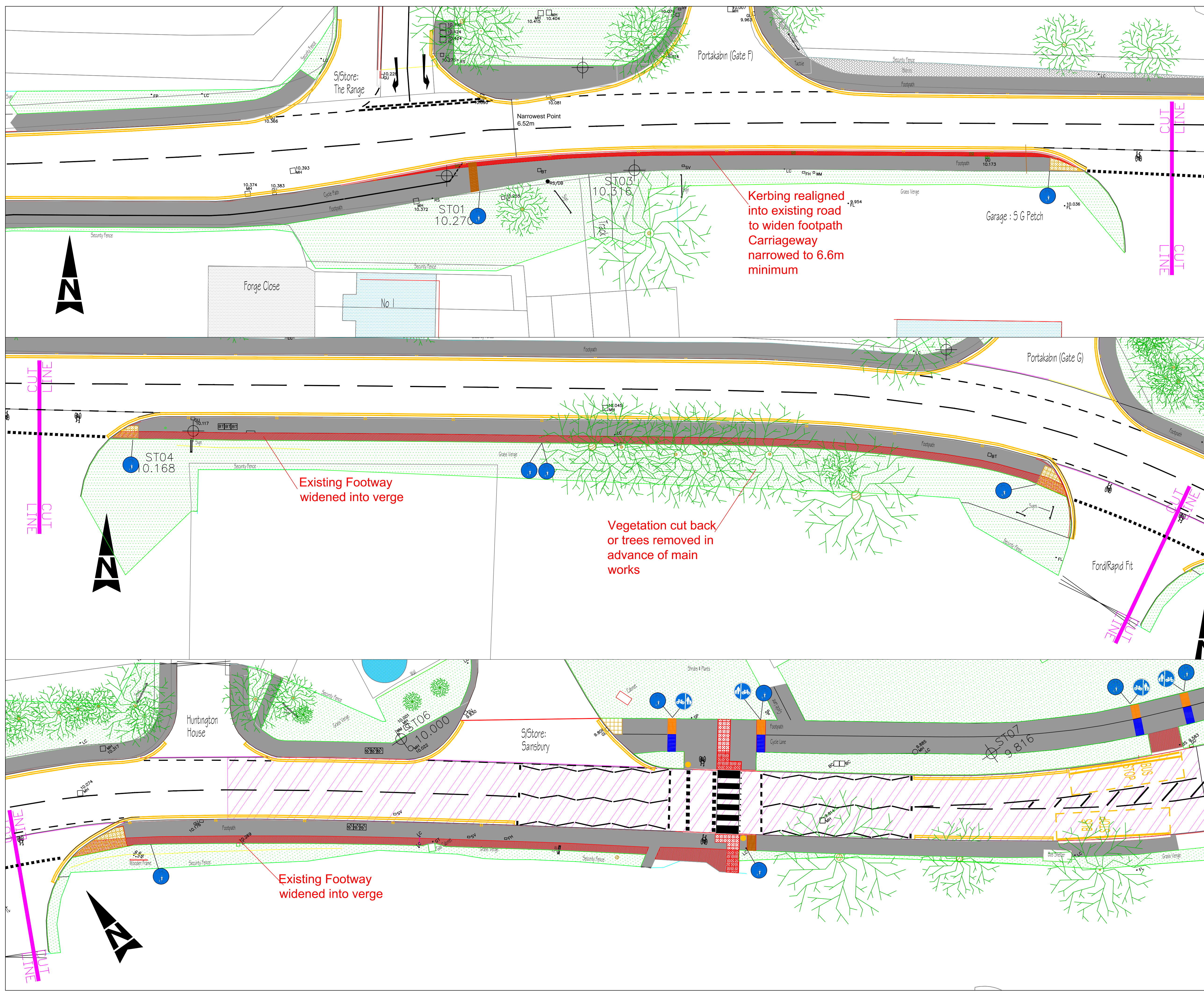
Jockey Lane Toucan Crossing
 General Layout
 - Proposed Tiger Crossing

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**Corporate and Scrutiny Management Committee
(Calling – In)**

19 January 2015

Report of the Assistant Director, Governance and ICT

Called-in Item: York Guildhall – Creating a Digital Media Arts Centre

Summary

1. This report sets out the reasons for the call-in of the decisions made by Cabinet on 16 December 2014 in relation to the establishment of a viable re-use of the Guildhall complex as a Digital Media Arts Centre (DMAC) in accordance with the Cabinet decision on 16 July 2013. The decisions taken gave approval to proceed with the procurement of a design team and an operating partner to run the DMAC, lease the building and release monies from the Economic Infrastructure Fund for the design of the building to the planning stage.

This cover report sets out the powers and role of the Corporate and Scrutiny Management Committee in relation to dealing with the call-in.

Background

2. An extract from the Decision Sheet issued after the Cabinet meeting is attached as Annex A to this report. This sets out the decision taken by the Cabinet on the called-in item. The original report to the Cabinet meeting on the called-in item is attached as Annex B to this report.
3. Cabinet's decision has been called in by Councillors Aspden, Cuthbertson and Waller for review by the Corporate and Scrutiny Management Committee (CSMC) (Calling-In), in accordance with the constitutional requirements for call-in. The following are the reasons given for the call-in:

“The report lacks many crucial details needed to support the proposal. These include:

- *A thorough business case to justify council expenditure on the project.*

- *Detail on the revenue projections including estimated rental income.*
- *A proper analysis of alternative options for the Guildhall.*
- *An examination of whether this is the correct location for the use being proposed or any comparison with other similar projects.*
- *An analysis of how the risk could be more appropriately shared with the private sector, especially on elements which might be better handled by organisations more experienced in the specific fields of business.”*

Consultation

4. In accordance with the requirements of the Constitution, the calling-in Members have been invited to attend and/or speak at the Call-In meeting, as appropriate.

Options

5. The following options are available to CSMC (Calling-In) Members in relation to dealing with this call-in, in accordance with the constitutional and legal requirements under the Local Government Act 2000:
 - a. To decide that there are no grounds to make specific recommendations to the Cabinet in respect of the report. If this option is chosen, the original decision taken on the item by the Cabinet on 16 December 2014 will be confirmed and will take effect from the date of the CSMC (Calling-In) meeting; or
 - b. To make specific recommendations to the Cabinet on the report, in light of the reasons given for the call-in. If this option is chosen, the matter will be reconsidered by Cabinet at a meeting of Cabinet (Calling-In) to be held on 27 January 2015.

Analysis

6. Members need to consider the reasons for call-in and the report to the Cabinet and form a view on whether there is a basis to make specific recommendations to the Cabinet in respect of the report.

Council Plan

7. There are no direct implications for this call-in in relation to the delivery of the Council Plan and its priorities for 2011-15.

Implications

8. There are no known Financial, HR, Legal, Property, Equalities, or Crime and Disorder implications in relation to the following in terms of dealing with the specific matter before Members; namely, to determine and handle the call-in.

Risk Management

9. There are no risk management implications associated with the call in of this matter.

Recommendations:

10. Members are asked to consider all the reasons for calling in this decision and decide whether they wish to confirm the decisions made by the Cabinet or refer the matter back for reconsideration and make specific recommendations on the report to Cabinet.

Reason: To enable the called-in matter to be dealt with efficiently and in accordance with the requirements of the Council's Constitution.

Contact details:

Author:

Dawn Steel
Head of Civic &
Democratic Services
01904 551030

Chief Officer Responsible for the report:

Andrew Docherty
Assistant Director, Governance and ICT

**Report
Approved**



Date 9 January 2015

Specialist Implications Officer(s) None

Wards Affected:

All



For further information please contact the author of the report

Annexes

Annex A – Extract from the Decision Sheet produced following the Cabinet meeting on the called-in item.

Annex B – Report of the Cabinet Member for Finance and Performance,
16 December 2014.

Background Papers

None

CABINET**TUESDAY, 16 DECEMBER 2014*****Extract from Cabinet Decisions Sheet***

Set out below is a summary of the decisions taken at the Cabinet meeting held on Tuesday, 16 December 2014. The wording used does not necessarily reflect the actual wording that will appear in the minutes.

Members are reminded that, should they wish to call in a decision, notice must be given to Democracy Support Group no later than **4.00pm on Thursday 18 December 2014.**

If you have any queries about any matters referred to in this decision sheet please contact Jill Pickering (01904) 552061.

12. York Guildhall - Creating A Digital Media And Arts Centre

Resolved: That Cabinet agree to:

- (i) Note the progress made with the project.
- (ii) Progress on the basis of Option 3 as outlined in the report.
- (iii) The procurement of a design team for the Digital Media Arts Centre.
- (iv) The procurement of an operating partner to take forward and develop plans for a DMAC in the Guildhall complex.
- (v) Release a further £500k from the Economic Infrastructure Fund to fund the detail design of the scheme and gain statutory approvals, and fund specialist finance, procurement and legal support where needed.
- (vi) Undertake a public consultation to feed into the future design and business case

development.

- (vii) The proposals as set out at paragraphs 48-50 of the report, for interim use / urgent works with a draw down of up to £90k from the Capital Scheme already committed for the Guildhall roof.

Reason: To ensure the refurbishment and reuse of the Guildhall whilst securing the future use of a historically significant building, supporting the growing creative digital media sector and increasing Gross Value Added for local businesses and boosting the economy.



Cabinet

16 December 2014

Report of the Cabinet Member for Finance and Performance

York Guildhall - creating a Digital Media Arts Centre

Summary

1. This report sets out progress on the project to establish a viable re-use of the Guildhall complex as a Digital Media Arts Centre (DMAC) in accordance with the cabinet decision of July 2013. Approval is sought to proceed with the procurement of a design team and an operating partner who will run the DMAC and lease space in the building.
2. The report also seeks the release of further, previously allocated funds from the Economic Infrastructure Fund (EIF) to fund the design of the building to the planning stage, and provide legal, financial and procurement resource through this next phase of the project.
3. The proposed DMAC and associated riverside development would see the creation of a world class venue and exhibition space for the creative business sector, with flexible workspace providing the potential to safeguard and create up to 200 jobs adding very significant GVA of over £8m to the city economy (based on Centre for Cities 2012 York GVA figures). Securing the future of one of the city's most iconic buildings will require supporting commercial development and the proposals set out in this report identify with the aspiration for a high end restaurant, a creative cafe/bar and additional office space opening onto new public space on the river side and linking through the Guildhall yard to City Screen. This commercial space will generate income within the development, to provide support for the initial capital outlay.

Background

4. The aspiration to create a Digital and Media Arts Centre DMAC for the City of York has long been an ambition of the city's creative industries, and the council, in supporting this growing business sector. The project responds directly to a market failure in the provision of flexible, city centre office space / work space for this sector. This shortage was specifically identified in the 2011 DTZ report commissioned by Science City York (SCY). The report

explored the spatial requirements of business in our key growth sectors, including creative and digital business, finding that there were particular gaps in the provision of high quality office premises, and especially in the provision of city centre office space offering grow-on space for SMEs.

5. More recently, in Dec 2013, SCY undertook a survey of businesses in the creative sector and 65% of respondents reported that they were seeking premises for expansion over the next 24 months, with a strong preference for a city centre location. The GVA Grimley report of July 2014 in support of the Local Plan allocations, confirms the lack of high quality office accommodation in the City centre to facilitate business growth. The GVA report also highlights the potential risk of existing and new businesses locating in other regional centres, specifically Leeds, where there is a greater supply of high quality office accommodation.

The Guildhall Complex

6. In December 2011 Cabinet made the decision to vacate the Guildhall complex and transfer all council functions to West Offices, with the exception of Full Council meetings which still take place in the council chamber, generally once every two months. In March 2013 staff and members vacated the complex and moved to West offices where they are now based.
7. The Guildhall complex comprises the following zones set out at Annex 1 :
 - Zone 1 - Medieval Guildhall (inc Committee room 1)
 - Zone 2 – South Range (ancillary accommodation)
 - Zone 3 – Victorian Council Offices (inc Council chamber)
 - Zone 4 – north annex (former PO / staff offices)
 - Zone 5 – hutments (former storage space now demolished)
 - Zone 6 – Boat Yard
 - Zone 7 – Mansion House
8. In 2011/12 working in partnership with English Heritage, CYC commissioned architects Purcell, to undertake an assessment of heritage significance, a views analysis and an informed options appraisal for the Guildhall complex. The options appraisal identified the significant potential for re-use of the complex.
9. In the autumn of 2012, CYC ran a Royal Institute of British Architects (RIBA) Open Ideas Design Competition to further explore the opportunity for re-purposing the Guildhall and Riverside for the C21st, taking full advantage of

the world class heritage and unique riverside setting. The winning proposal highlighted the opportunity for the creation of a new public space directly on the river front, surrounded on three sides by leisure/office space; in combination with refurbishment of the original medieval Guildhall, and Victorian council offices and meeting rooms. The proposal also suggested opening up several points of access to the Guildhall and the riverside public realm making links along the water front in both directions, including under Lendal Bridge to Dame Judi Dench Walk / Museum Gardens and through the Guildhall yard with City Screen.

A Digital Media Arts Centre

10. In July 2012, Cabinet agreed an allocation of £1.4m from the Economic Infrastructure Fund (EIF) to progress the creation of the DMAC. At that time the proposed site was the Bonding Warehouse, however, due diligence revealed that this was not economically feasible and the Guildhall complex was subsequently identified as the preferred site.
11. York has a thriving creative business sector. Recent statistics indicate that there are approx 400 businesses employing over 8000 people in this growing sector (DTZ 2011). The sector is dominated by micro or small businesses; many of which are young and innovative with a significant number boasting national and international clients, and yet the sector is largely invisible in the city.
12. The Science City York (SCY) survey (Dec 2013) identified a strong demand amongst these businesses for office space in the city to facilitate their growth and expansion. This sector contains a broad spectrum of companies, from high tech visual arts, television and gaming companies through to sole trader graphic designers and artists. Their businesses are dynamic and need to quickly respond to market conditions to expand and equally to contract. Their property needs are therefore not well served by the traditional property model dominated by long leases and capital investment.
13. York does not have the ex-industrial hinterlands that in other cities are increasingly the domain of developing media arts businesses. The prevailing leasehold / ownership pattern is currently acting as a barrier to sector growth and there is some evidence of York companies relocating to London or to other regional centres. York needs to address the lack of supply of suitable workspaces that enable companies to occupy prestigious, modern, flexible workspaces using a financial model that enables them to share costs, flex their requirements and commitments, and work in an environment where they can easily network and collaborate with other complementary businesses to increase their competitiveness.
14. This lack of physical space for business progression is shadowed by a hollowing out of the population of York. There is demographic evidence to

suggest that we have an increasingly young or older population as young adults and graduates leave the city to progress their career or seek more affordable start up homes. In order to stem this flow we need to create vibrant economic communities and opportunities to support growth.

15. Incubator units for business start ups already exist at both York University (The Catalyst and the Springboard at the Ron Cook Hub) and St Johns University (the Phoenix Centre). What is not widely available are more prestigious, stylish, yet affordable, grow on spaces that retain growing businesses in the city. Both universities and sector representatives have clearly articulated the need for a sectoral growth strategy to bridge this gap and see the Guildhall as an essential part of the solution.
16. By working with representatives from the sector and with both Universities, the following vision has been developed for the Guildhall DMAC :

“York’s Guildhall and Riverside will provide a world class venue, supporting and nurturing the expansion of York’s vibrant creative businesses; combining events and exhibition space with state of the art collaboration and co-working facilities in the heart of a historic and creative city, securing a sustainable future for one of the city’s most iconic buildings.

To deliver this vision the significance of the Guildhall complex will be enhanced and better revealed, adopting innovative approaches to establish the Guildhall itself as the home base for a C21st guild of digital creatives collaborating across the creative, digital and arts sector spectrum.

By retaining the use of the council chamber and enhancing public access, the importance of direct links between the city’s governance, commerce, and culture are not just acknowledged, but remain intrinsically bound together, for the future benefit of the city in this world class historic location.”

17. The designation of York as a City of Media Arts by UNESCO further reinforces the case for establishing a DMAC in the Guildhall, where there is the opportunity for the City’s future to take inspiration from this iconic complex, which is itself a product of the city’s creativity throughout history.
18. The Guildhall DMAC proposals would :
 - Create a highly visible innovation hub, at the heart of the city that generates business to business activity, creative collaborations and new intellectual property
 - Establish a world-class, destination venue delivering an events programme driven by the creative force of the sector, contributing to the cultural tourism offer of the City

- Provide flexible managed office accommodation with support facilities, for small to medium sized enterprises (SMEs) within the creative, digital and technology sectors, encouraging and supporting the growth and development of these sectors within York, also offering flexible drop down space and a business club to provide resources and collaboration space for smaller companies.
- Enable the city to provide a ladder of progression where growing businesses in the creative and media industries can access property solutions to facilitate the transition from start-up enterprise, to high growth business without jeopardising their long term growth by tying up capital or revenue in long term leases/property purchases. The financial model needs to allow companies to increase and decrease their space requirements / costs in response to fast evolving business needs and the commission and project driven nature of their work.
- Secure the future of the Guildhall complex through a combination of sensitive refurbishment and repair to the historic fabric coupled with some strategic new build interventions to ensure the future sustainability of the complex.
- Improve access to an attractive riverside public realm demonstrating the future potential of the wider area.

The Mansion House

19. The Civic and Democratic Services Team are currently in the final stages of a second round Heritage Lottery Fund (HLF) application to secure a £1.2m grant from the HLF; to restore the 18th century Georgian kitchen, upgrade the modern kitchen to provide catering facilities, install a conservation heating system, rewire the building, update the fire alarm system, improve physical access and display the Gold and Silver collection. This work is being overseen by the Guildhall and Mansion House Project Board to ensure synergies are achieved, but it is not included in the operating proposals outlined in this report.
20. In addition to preserving the building and conserving the collections that are housed within it, this project will also facilitate increased use of the Mansion House as a visitor attraction, and as an educational resource with significantly increased levels of revenue generation.

Guildhall Project Progress

21. In July 2013 Cabinet agreed to release £400k of the EIF funding allocation to undertake feasibility work and develop plans / a business case for the Guildhall DMAC. The cost breakdown for this is attached as Annex 2.

22. The project manager was appointed in December 2013 and a project working group was established to support the project. Robust project governance arrangements have been put in place through the establishment of the project board which includes; representatives from the creative sector and from York St John University and Science City York.
23. Significant progress has been made in the delivery of the project objectives:
- Extensive research of similar facilities across the UK, particularly the Roundfoundry in Leeds and the Toffee Factory in Newcastle. Other national exemplars include; The Mail box and Custard Factory in Birmingham, Kings Cross Hub, and Soho House business club in London. We have also explored some small scale flexible office provision in York which is thriving and experiencing high levels of demand. None of these deliver exactly the model for the Guildhall with its combination of flexible office, commercial and performance/exhibition space in a listed building, but they have all shaped the vision and the business case set out in this report.
 - A detailed feasibility study has been completed highlighting the potential of the complex
 - An outline business case has been developed using the feasibility proposals as a basis
 - Planning approval was secured for the demolition of the Hutments which was completed in July 2014
 - The Archaeological Evaluation of the hutments site was undertaken through August and into September, with significant opportunity for public involvement and the findings will be promoted at further public events
 - An application was made to the Leeds City Region Local Enterprise Partnership (LEP) for Local Growth Fund of £2.5m – and the project is now included in the LEP's Strategic Economic Plan (SEP), although a funding allocation was not secured in round 1 because of concerns about deliverability of spend in 2015/6. The project is being put forward into round 2 for the 2016/17 year when deliverability issues should be more certain.
 - An application was made to the Heritage Lottery Fund HLF for Heritage Enterprise funding of £3.7m in April, based on the development of Option 4 as set out later in the report, unfortunately this bid was unsuccessful because we did not have a commercial delivery partner on board and the balance of new build to refurbishment was judged too high.

- Pre-application discussions with the Planning Service and involving English Heritage as a statutory consultee have begun
- Informal consultation with heritage bodies in the city has garnered general support for the project. Peter Brown, Director of York Civic Trust has offered his support to the project, saying;

‘The proposal for the Guildhall identifies deserving new uses for this whole complex, whilst safeguarding the long-term future of the important historic buildings. The scheme as outlined delivers an excellent combination of respect for the City’s heritage and a new contribution to the commercial vibrancy of the city centre’

Options

24. The following options have now been developed to present to Cabinet. There are of course variants upon each scheme which can be considered during the next phase of detailed design and development, but they give a broad overview of the scale of development possible. A summary financial analysis of all the options is included as Annex 3.
25. Because of the historic importance of the Guildhall and the nature of the site (Grade I & II listed), the council has already identified a desire to retain ownership and control of the complex for the long term. The options presented respect this desire and that a proportion of the current civic and community uses of the Guildhall will continue.
26. There always remains the option for a more conventional commercial usage for the site, a sale or long lease, which could result in either a capital receipt or a revenue income, but these have not been explored in detail as they would not deliver a DMAC or the ongoing ownership of the Guildhall which have been assumed as core requirements of the project.

27. **Option 1 – Do nothing – renew Guildhall only - capital cost £350k**

This option would see the existing arrangements for managing the Guildhall continue where the main hall and former committee rooms are available for hire through the Mansion House and Guildhall team. Repairs and maintenance would continue on a reactive only basis, with costs incurred as they arise; with the exception of the Guildhall roof which would be renewed as per the current capital programme.

Analysis – this option will not achieve the objectives agreed by cabinet in July 13 in terms of securing an economically viable future for the complex. The complex will necessarily continue to deteriorate and the long term future of the buildings would be placed at risk.

28. Option 2 – Major repairs and maintenance only – capital cost £2.47m

Undertake urgent major repairs and maintenance to the whole complex, including reroofing the Guildhall, further structural, roof and fabric repairs, replacing the heating system and some electrical circuits as required, fire and access improvements and comprehensive redecoration. The space would remain in its current layout at approx 2000 sq m net usable space.

Analysis – this option would see the minimum necessary investment to secure the complex for the short term (5 years). The fabric would be made sound but the use would not necessarily be improved beyond existing patterns where a number of existing constraints in terms of access and facilities would remain. The longer term future would remain uncertain.

29. Option 3 – Comprehensive refurbishment and conservation with new build elements - capital cost £9.23m

The works involve undertaking all major repairs as in option 2, but also a comprehensive replacement and upgrading of services; including under-floor heating to Guildhall and elements of reconfiguration to improve access and space utilisation. In addition it would involve; a new build to the south range, an additional storey to the north annex and a new build riverside pavilion to provide overall net floor space of around 2600 sq m. The energy strategy for the complex would be underpinned by renewable energy using a river sourced heat pump and photovoltaic panels. It would create a refurbished Mansion House yard and a new external riverside space on the site of the former hutments, which would provide attractive breakout space for the DMAC and external cafe/bar space. The DMAC business model will offer flexible desk space and business club membership, giving businesses the flexibility and scalability of solution missing from the traditional office market.

Analysis– this option offers the potential to deliver a comprehensive refurbishment of the existing buildings combined with strategic interventions to make the complex more useable and legible. Limited new build elements will provide some additional and commercially valuable floor space to facilitate the DMAC and open up the garden space to the north with a cafe and additional office space. Existing fabric is retained and refurbished to highest achievable standards, with the addition of contemporary new build elements adopting the constructive conservation approach which has been so successful at West Offices. The business model delivers a flexible ‘plug and play’ product on easy terms to suit the target sector.

30. **Option 4 –New build and conservation – capital cost £12.49m**

This option proposes significant new build elements on both the south range and the demolition of the north annex and replacement with a new build office wing, in combination with refurbishment of the Guildhall and council offices. This would create a larger net floor space of approx. 2800 sq m and would also incorporate the green energy solutions and improved external spaces as per Option 3.

Analysis – this option would deliver more new build floor space, but at significant additional capital cost. It is unlikely that this option could be funded through a return on investment model.

Future Phase

31. In addition to Options 3 and 4 there is the potential for a second stage of development to deliver an additional block of new build and riverside public realm on land that is currently in the ownership of Yorkboat and CYC. This is an attractive prospect as it opens up the river frontage and creates access through under Lendal Bridge to Dame Judy Dench Walk. However, it is not immediately deliverable as there would need to be a negotiated deal involving the relocation of boat maintenance facilities and some moorings. This option and all related enabling works are being developed, but are not at a stage where they can be incorporated into a defined scheme at this point in time.

Recommended Option

32. The option to do nothing (Option 1) whilst affordable would result in the further deterioration of a historically significant building and is therefore not judged to be viable. The minimum necessary repairs and maintenance approach (Option 2) undertaking £2.47m of urgently necessary repairs and service renewals would not deliver a realistic DMAC and would have limited length of life with little benefit from its occupation.

33. Option 4 would deliver a world leading iconic space but with a capital cost of £12.49m. This option is not likely to be affordable without significant financial support from the public purse. It is considered that the most appropriate business model for the Guildhall, based on collaborative works space / co-working environments and virtual office services allows the benefits to be delivered from a smaller building footprint and where additional space can potentially be brought to the market in adjacent buildings in the city centre.

34. Having considered the options it is therefore proposed that we commence with further development of Option 3 to undertake a significant

refurbishment of the complex, accompanied by essential new build elements to create a DMAC and supporting commercial development. The conservation standard refurbishment of the historically significant parts of the buildings is facilitated through the commercial model, including the addition to the south range to create a premium restaurant. Floor plans of this option are attached as Annex 4.

Business Case

35. The business case identifies that the Guildhall complex does offer the potential for a viable development if undertaken in association with other commercial uses, taking advantage of the riverside location. Making prudent assumptions about future yields from leases it is expected that the DMAC and commercial leases will cover the future management and repair / maintenance costs of the complex in full for the future. These prudent assumptions do not, however, cover the entire capital refurbishment and construction costs.
36. External commercial validation of the proposed model has been sought which indicates that :-

“The location overlooking the river, the historic spaces and (for work space) idiosyncratic spaces (from the lower ground areas) to the Guildhall and Council Chamber, have the potential to create a world class location for creative sole traders, freelancers and micro businesses. It is exactly this type of facility that is required to significantly increase the credibility of York as a location for talented young enterprises and a place which will encourage graduates to stay, creating opportunities for self-employment as well as employment.”

Funding

37. The proposed Option 3 has a capital cost of £9.23m. This would be funded using the remaining EIF funding of £1m and the £350k of capital programme already committed to the Guildhall roof repairs. This would be supplemented by borrowing, repaid with the revenue income streams from both the DMAC and the commercial leisure leases. These would generate the equivalent of £4.65m capital. Potential grant income is being pursued from the Leeds City Region Regional Growth Fund for both renewable energy (£450k) and for economic growth (£1m). This would leave a gap of £1.77m as summarised in the table below.

38.

Option 3 - comprehensive refurb	
	costs
Capital Build and refurbishment	£6,273
Design fees - to stage D	£376
Design fees - to completion	£565
legal / financial and procurement advice	£450
contingency and risk	£1,019
inflation	£549
Total capital costs	£9,232
current approved capital programme	350
remaining EIF funds	1000
borrowing funded by projected income	4657
potential grants	1450
Balance to fund	£1,775

39. The commercial income from the restaurant and a cafe/bar is essential to the business case, and without it the comprehensive refurbishment of the Guildhall and the establishment of a DMAC will not be deliverable.
40. The two grant funding applications made to date have not been successful, and this has resulted in a review of the original aspirations for the scheme to understand whether they can be value engineered to deliver broadly the same outcomes for a reduced capital budget. This has been achieved through Option 3.
41. There still remains a financial gap to close. The assumptions that we have made in developing this business case are prudent, and small variations in operating costs, build costs and income from commercial leases will reduce the overall development and operating costs. It is expected that through refinement of the operating environment and the value engineering of the design that this gap could be narrowed even further. However it would not be prudent at this stage to assert that the scheme can be entirely self-funding until this work has progressed into the next phase.
42. In order to proceed with the delivery of a DMAC scheme to rejuvenate the Guildhall the council may need to increase the level of capital funding to cover the underlying repairs and maintenance deficit, whilst investment in redevelopment and new build elements of the scheme will secure a financial return and repayment of borrowing. We will continue to pursue grant funding from LCR. Capital funding will be sought once a detailed scheme is designed in late 2015.

Next Phase – Procurement and Design

43. The objective of the procurement approach is to continue the momentum of the project to meet the known demand of the sector and to exploit known funding opportunities by presenting a viable and deliverable project in a reliable timescale. It will ensure delivery as early as possible whilst maximising the creative input to the design work from a future operator and the potential occupants.
44. The procurement process will involve :
- The early appointment of a multi disciplinary consultant team to undertake the necessary concept design work, subsequently undertaking comprehensive consultation and developing the detailed proposals necessary to make planning and listed building consent applications.
 - The procurement of an operating partner who will work with the Council to assist in finalising the design and operational business plan, and then subsequently operate the DMAC, taking responsibility for events management, Facilities Management (FM), and letting of office space in the Guildhall complex. The operating partner will have the skills, expertise and proven track record to establish and operate a successful and entrepreneurial DMAC delivering significant economic benefit to the city whilst securing the future of the Guildhall complex in council ownership.
 - This will be followed by a subsequent procurement for the construction and refurbishment work. The capital cost of this phase is not yet known in detail. A further cabinet decision will be sought when a detailed scheme is designed and costs are understood, likely to be in autumn 2015.

Financing the next stage

45. In order to proceed with the procurement phase of the project and the initial stages of more detailed design work we will incur a further £500k of costs to undertake the design phase of the project through to the planning and listed building consent applications stage, and cover the ongoing finance, procurement and legal advice necessary on such a complex scheme. This is set out in detail in Annex 2. It is proposed that Cabinet agree a further drawdown of £500k from the EIF to meet these costs. These costs represent the early delivery of the scheme to RIBA design stage D and are included in the overall project costs of £9.232m as set out in the table at para 38.

Timeline for project

46. The high level timetable for the project is set out below. Given the complexity of the scheme and the listed building status this is likely to change as the project progresses.

Procurement of Design team by	May 2015
Procurement of Operating Partner	autumn 2015
Final scheme designs by	Dec 2015
Statutory consents	early 2016
Procurement of construction partner	spring 2016
Commencement of construction	autumn 2016
Completion of construction	early 2018

47. The project timetable has been assessed to allow, where possible, for elements project delivery to be co-ordinated with the delivery of the Mansion House project. This would require some works to be let with the Mansion House construction contract.

Interim use and urgent works

48. During the last year the Guildhall has not lain empty. A varied programme of events in the Guildhall itself generated income of £40,000 (2013/14) and the complex has hosted a range of Theatre productions. Full Council Meetings are held in the Council Chamber every 2 months and Adult Education are currently delivering their autumn programme from the Guildhall Annex whilst the Central library undergoes development work.

49. Officers are now exploring a more structured approach to use of the building over the period before the re-development contract is let. This must be self funding, and will ensure that the building does not suffer further deterioration from lack of occupation. The intention is that the space is made available (through appropriate short term property lease arrangements) as a combination of serviced office and curated digital media arts space, working with partners and the local creative network. Increased usage and profile will also serve to build some creative momentum and provide a focus for creative and digital innovation following the City's designation by UNESCO as a City of Media Arts.

50. To ensure that any interim use is not compromised by outstanding repairs and maintenance issues it is proposed to undertake a strategic review of the 2013 Guildhall Building Condition Inspection Report and to implement specific works to facilitate the urgently necessary safe access / working arrangements to allow for; interim roof repairs, regular gutter cleaning and routine inspection / maintenance of the complex, but only as necessary to maintain the safety, security and integrity of the complex over this period.

There will be no abortive works and funds, not to exceed £90,000, would be drawn from the previously approved capital programme for repairs to the Guildhall roof.

Consultation

51. The RIBA Open Ideas Design Competition allowed the shortlisted ideas for the Future of the Guildhall and Riverside to be exhibited in public. The feedback provided very significant support for the idea of opening up access to the riverside and creating a new public space.
52. In progressing the feasibility work and considering potential future uses the team have engaged with a number of organisations who may have an interest in the future of the site, including; York Boat who lease the boatyard and who own the boatyard buildings. Contact has also been made with adjoining land owners and a range of other commercial organisations. Further engagement will be undertaken with these organisations during the next phase to develop a comprehensive design.
53. There has been significant and ongoing consultation with creative business in the digital media arts sector who are represented on the project board and have helped shape the vision and the feasibility study. There is real excitement, energy and commitment for the project from those companies who may be tenants or users in the future.
54. The project team have also presented initial thinking to the ex Lord Mayors group. York Civic Trust and York Conservation Trust are supportive of the proposed approach / concept. During the archaeology there has been public engagement in both the logging of the hutments and the actual dig.
55. In progressing the project through the further stages, wider engagement with both stakeholder and the public will be an essential part of delivering the project. The Guildhall necessarily offers the perfect venue to facilitate this.

Corporate Priorities

56. The proposal for a Digital Media Arts Centre will contribute to the following Council Plan objectives:

Creating Jobs and growing the Economy – the establishment of a DMAC will create expansion capability and increased GVA for local businesses in one of York's priority growth industries. Additional space for other economically beneficial uses will also be created and the increased use of the Guildhall itself will provide a boost to the economy.

Protecting the environment – the refurbishment and re-use of the Guildhall will secure the future of one of the most historically significant buildings in the city and increase access to a heritage asset. Improved use of and access to the riverfront will significantly improve the amenity of this important part of city centre – the proposed river water source heat pump will deliver a significant carbon reduction for the complex

Implications

57.

Finance – The Economic Infrastructure Fund totals £28.5m and covers the period from 2012/13 through to 2016/17. It is funded from a combination of prudential borrowing and government grant. In July 2012 Cabinet approved in principle £1.4m from the EIF for the establishment of a Digital Media Arts Centre. In addition a sum of £350k has been committed as part of the capital programme for the repair of the main Guildhall roof. A further call off of £500k is requested from the committed EIF funding. The future high level financing of the scheme is set out in the body of the report and is subject to a further detailed report when a detailed scheme is designed and costed and an operating partner has been engaged. The recommendation to draw down up to £90k for urgent works to the building will utilise some of the £350k already committed to the Guildhall repairs in the capital programme. All of this £350k is assumed to contribute to the overall project budget as set out in paras 37-38.

Legal - The procurement process to select a commercial partner to operate the complex will need to establish clear performance requirements and a compatible property agreement to ensure that the Digital Media Arts Centre benefits from private sector expertise. The process must necessarily satisfy state aid requirements.

Property – It is expected that the core of the historic Guildhall will remain in Council ownership but that a commercial partner will be awarded either a license to operate and/or a lease to run the DMAC. Long leases (25 years) may be necessary for the commercial leisure components of the site. These details will be instrumental in delivering a commercially viable project and will form an important component of the detailed business case.

Human Resources – The Guildhall is currently managed by the Civic and Mansion House team. It will be important to clarify the role of these staff in relation to the Guildhall, particularly as and when the Mansion House redevelopment moves forward.

Community Impact Assessment - a draft impact assessment concludes that there would be no adverse impacts associated with this project. The project board will necessarily ensure that the assessment is reviewed at every project work stage.

Risk Management

58. Failure to progress plans for the repair and maintenance of the Guildhall leave the structure and fabric of a historic and iconic city centre building at risk. The project itself faces risks around achievement of grant funding, financial viability, planning permission / listed building consent being agreed for changes to a historic building, capacity of the sector to support the business model. A full risk register is maintained by the project and will be regularly reviewed as the project progresses.

Recommendations

59. Cabinet are asked to :-
- I. Note the progress made with the project
 - II. Agree to progress on the basis of Option 3 as outlined above
 - III. Agree the procurement of a design team for the Digital Media Arts Centre
 - IV. Agree to the procurement of an operating partner to take forward and develop plans for a DMAC in the Guildhall complex
 - V. Agree to release a further £500k from the EIF to fund the detail design of the scheme and gain statutory approvals, and fund specialist finance, procurement and legal support where needed
 - VI. Agree to undertake a public consultation to feed into the future design and business case development.
 - VII. Agree the proposals as set out at paras 48-50 for interim use / urgent works with a draw down of up to £90k from the Capital Scheme already committed for the Guildhall roof.

Reason: To ensure the refurbishment and reuse of the Guildhall whilst securing the future use of a historically significant building, supporting the growing creative digital media sector and increasing GVA for local businesses and boosting the economy.

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**Cabinet Member and Chief Officer
 Responsible for the report:**

Cllr Dafydd Williams, Cabinet Member for
 Finance and Performance

Ian Floyd

Director of Customer and Business
 Support

Report Date: *4 December*
 Approved *2014*

Specialist Implications Officers

Ross Brown – Principal Accountant

Emma Kerr– Commercial Lawyer, Rachel Dolby – Deputy Head of Legal

Andy Wilcock - Procurement

Ward Affected: - Guildhall



For further information please contact the author of the report

Background Papers: Online only

<http://democracy.york.gov.uk/ieListDocuments.aspx?CId=733&MId=8618&Ver=4>

Purcell Miller Tritton reports 2012

RIBA competition winning entry 2012

DTZ property report 2011

SCY property demand report 2013

Guildhall DMAC Feasibility report 2014

Annexes:

Annex 1 – Site Plan showing land ownership / zones

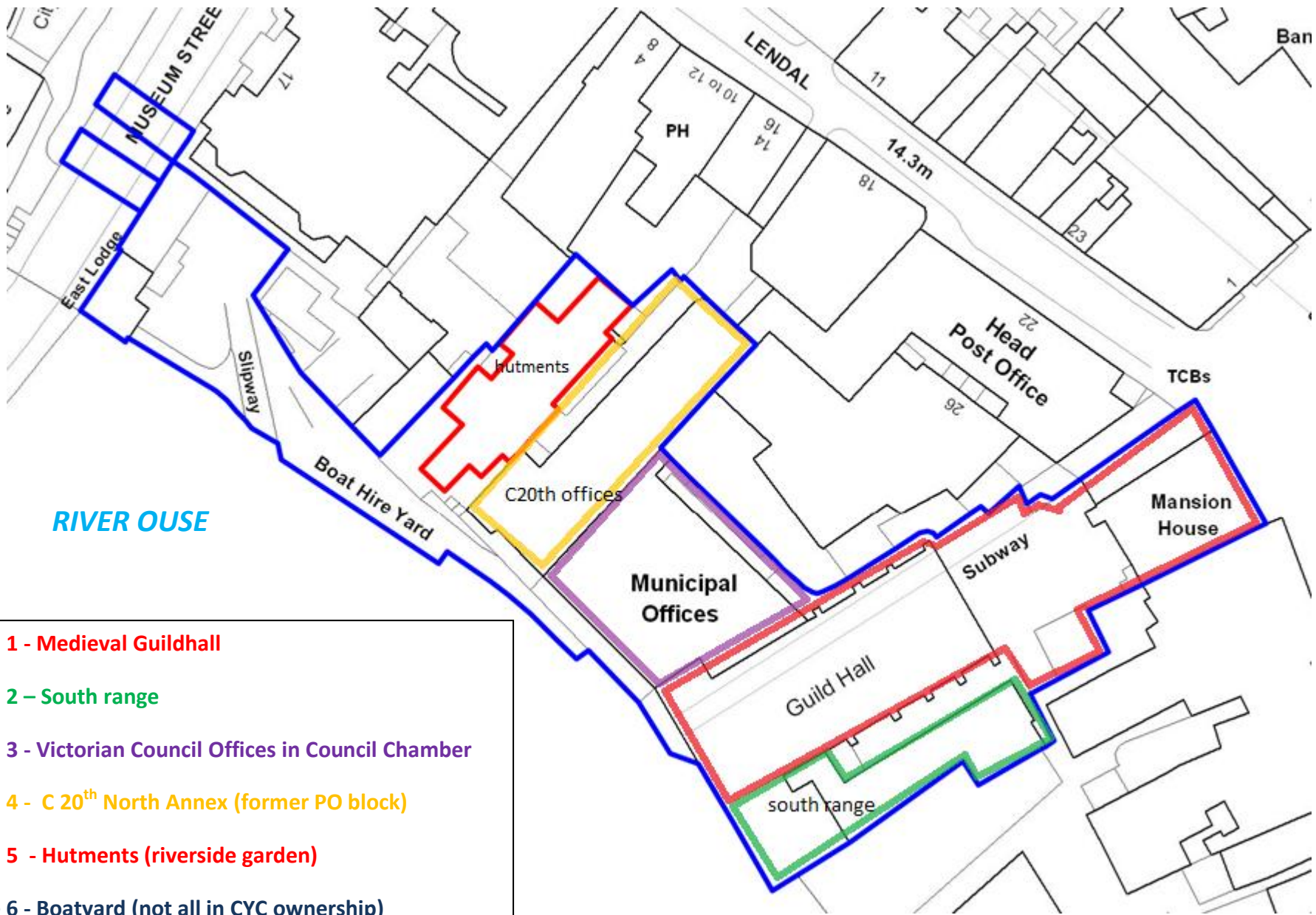
Annex 2 – Cost breakdown of development phase

Annex 3 – Options appraisal financial summary

Annex 4 – Floor plans of proposed scheme

Glossary of Abbreviations:

DMAC - Digital Media Arts Centre
EIF – Economic Infrastructure Fund
FM – Facilities Management
GVA – Gross Value Added
HLF - Heritage Lottery Fund
LCR – Leeds City Region
LEP – Local Enterprise Partnership
RIBA – Royal Institute of British Architects
SEP - Strategic Economic Plan
SMEs - small to medium sized enterprises
SYC – Science City York



- Zone 1 - Medieval Guildhall**
- Zone 2 – South range**
- Zone 3 - Victorian Council Offices in Council Chamber**
- Zone 4 - C 20th North Annex (former PO block)**
- Zone 5 - Hutments (riverside garden)**
- Zone 6 - Boatyard (not all in CYC ownership)**
- Zone 7 - Mansion House**

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Guildhall development fund - approved /committed costs and additional requirement							
Activity	Costs						
	per cab rpt	13/14	14/15	15/16	16/17	17/18	Total
Approved and Committed to date							
staff costs / project manager	150,000						
staff costs inc project manager (secondment)		22,255	68,000	68,000	68,000	47,500	226,255
development surveys	100,000						
Feasibility study inc viability appraisal		52,750	5,450				58,200
revised options feasibility			4,345				4,345
Demolitions & Archaeology	100,000						
Demolitions & Archaeology			98,000				98,000
contingency	50,000						
urgent maint / repairs		6720	7,500				7,500
Works to facilitate Interim use			5,000				5,000
Totals	400,000	81,725	188,295	68,000	68,000	47,500	399,300
Additional Requirement							
legal financial and procurement			50,000	50,000			100,000
Stage C Design				94,100			94,100
Stage D Design				188,200			188,200
PM consultancy				44,700			44,700
Works to facilitate Interim use				10,000			10,000
additional archaeology				30,000			30,000
additional contingency				30,000			30,000
apprentice (shared with procurement)			1500	1500			3,000
Total additional requirement							500,000

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Guildhall complex financial options summary									
	zone	Do nothing option 1		essential repairs and maint option 2		comprehensive refurb option 3		conservation and new build option 4	
		floor areas	costs	floor areas	costs	floor areas	costs	floor areas	costs
Complex area		m2	£'000	m2	£'000	m2	£'000	m2	£'000
Guildhall - Main Hall + Comm Rm 1	1	450	£275	450		490		490	
South Range (inc Akinson block rooms)	2	270		270		480		480	
Council Offices - inc Council Chamber	3	570		570		570		570	
North Annex (former PO)	4	720		720		1050		1250	
Riverside garden space (hutments site)	5					inc		inc	
Mansion House Yard	1								
Boat yard	6								
Floor area		2010		2010		2590		2790	
Capital costs			£275		£2,076		£6,273		£8,377
design fees			£42		£311		£941		£1,257
legal / financial and procurement advice					£104		£450		£550
contingency and risk			£28		£208		£1,019		£1,466
inflation			£6		£125		£549		£838
Total capital costs			£350		£2,823		£9,232		£12,487
current approved capital programme			350		350		350		350
remaining EIF funds							1000		1000
borrowing funded by projected income			0		0		4657		5607
potential grants			0		0		1450		1450
Balance to fund			£0		£2,473		£1,775		£4,080

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Rev	Date	Notes
A	30.09.2014	Break-out Space Added

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 2. Do not scale from this drawing. All dimensions to be checked on site prior to commencement of works. Contractor to report back any discrepancies with site dimensions.

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Project
YORK DIGITAL MEDIA and ARTS CENTRE & GUILDHALL

Drawing Title
OPTION 5
Basement
 AS PROPOSED

Drawing Status
FOR INFORMATION
 Scale: 1:250 @ A3

Job
DMACG

Drawing No
PR 093

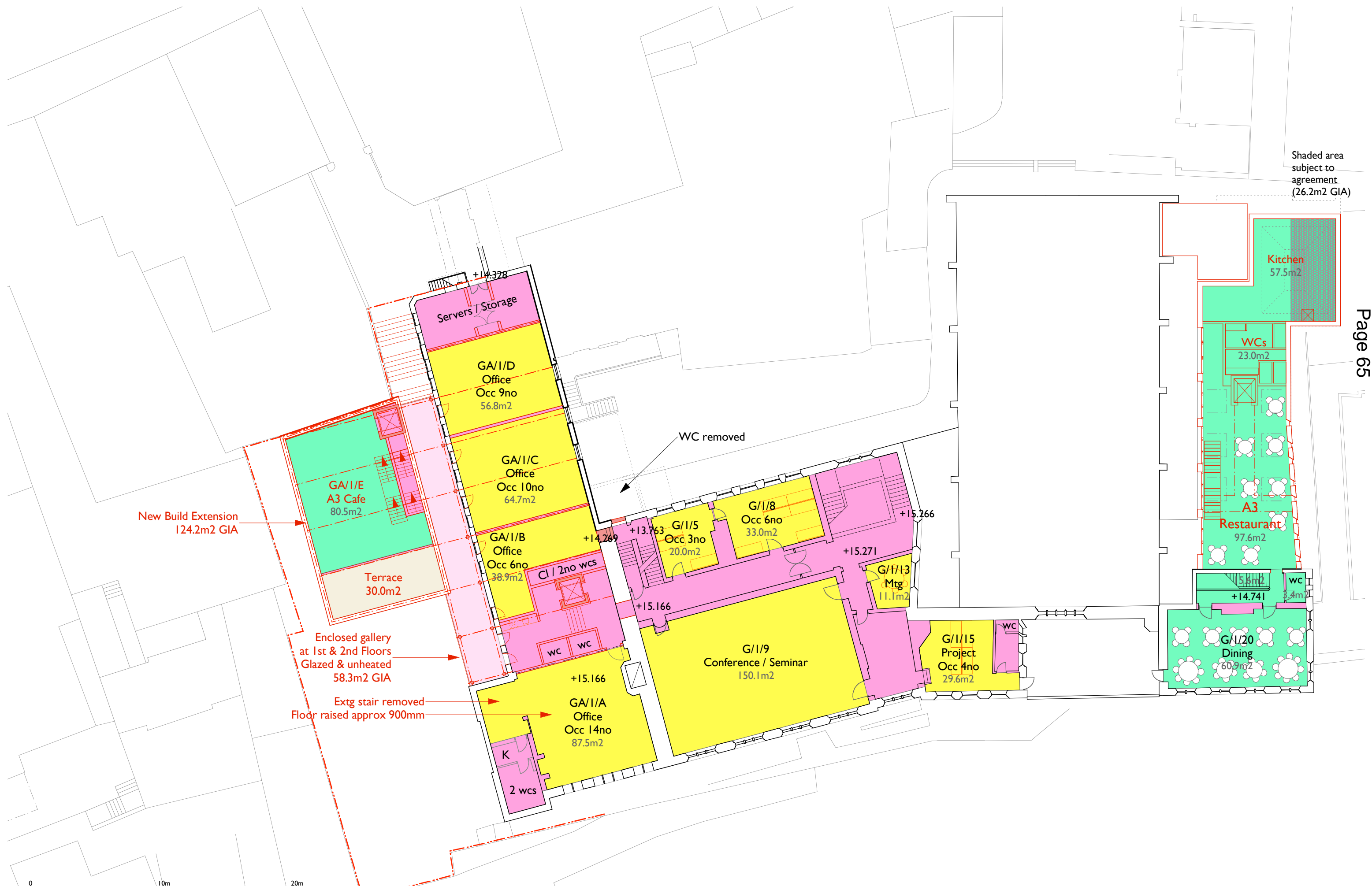
Rev
A



Rev	Date	Notes	Contact	Project	Drawing Title	Drawing Status	Job	Drawing No	Rev
A	26.09.2014	2nd Fl of PH 1B removed. Escape stair relocated.	ROBERT LOADER RIBA ARB 52 Pymers Mead London SE21 8NH t: 0794 880 1144 e: studio@gardenrow.net	YORK DIGITAL MEDIA and ARTS CENTRE & GUILDHALL	OPTION 5 Lower Ground AS PROPOSED	FOR INFORMATION Scale: 1:250 @ A3	DMACG	PR 103	C
B	26.09.2014	2nd Fl of PH 1B reinstated. Stair added to cafe.							
C	30.09.2014	Minor Area Revisions.							

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Shaded area subject to agreement (26.2m2 GIA)



New Build Extension
124.2m2 GIA

Enclosed gallery
at 1st & 2nd Floors
Glazed & unheated
58.3m2 GIA

Extg stair removed
Floor raised approx 900mm

WC removed



NOTES

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ARTS CENTRE & GUILDHALL**

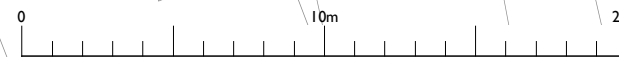
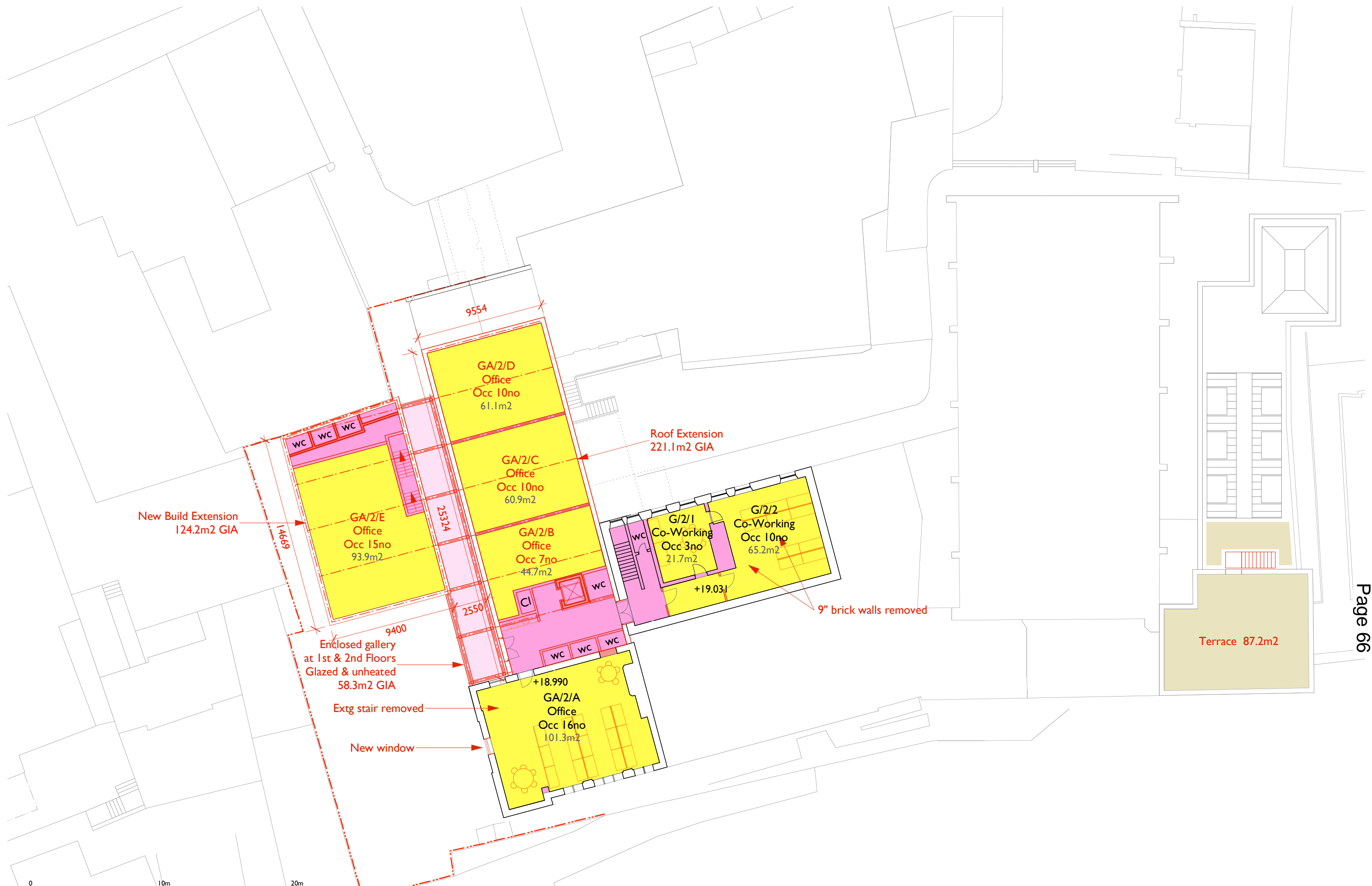
Drawing Title
**OPTION 5
Upper Ground/ First Fl**
AS PROPOSED

Drawing Status
FOR INFORMATION
Scale: 1:250 @ A3

Job
DMACG

Drawing No
PR 113

Rev
C



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Project
YORK DIGITAL MEDIA and ARTS CENTRE & GUILDHALL

Drawing Title
OPTION 5 Second Floor
 AS PROPOSED

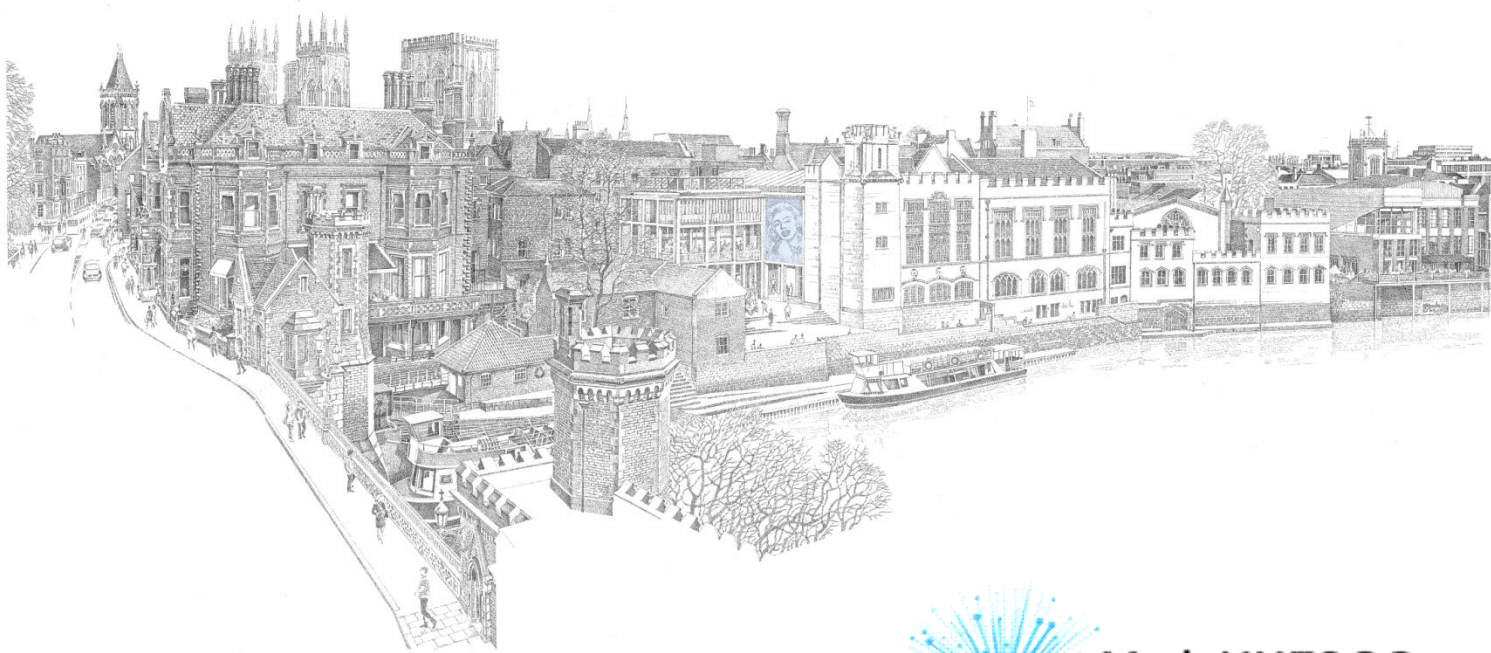
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 Scale: 1:250 @ A3

Job
DMACG

Drawing No
PR 123

Revision
C

York Guildhall - creating a Media Arts Centre



York UNESCO
City of Media Arts

www.cityofmediaarts.com

Reasons for Call - in

The report lacks many crucial details needed to support the proposal.

These include:

- **A thorough business case to justify council expenditure on the project.**
- Detail on the revenue projections including estimated rental income.
- **A proper analysis of alternative options for the Guildhall.**
- An examination of whether this is the correct location for the job creation being proposed or any comparison with other similar projects.
- **An analysis of how the risk could be shared with the private sector**

Financial Overview

Starting Assumptions :

- **CYC retain freehold of whole complex**
- The core of Guildhall complex; the main hall and the council chamber block remain in CYC ownership
- **No ongoing revenue costs for running the Media Arts Centre**
- CYC acts as developer with any capital borrowing repaid by the revenue stream
- **Media Arts Centre will be run by a commercial operator**

Business Case Development

- **Outline business case is well progressed and commensurate with the approval sought at this stage - includes:**
 - 10 year profit and loss projection
 - Rental income projections based on market data
 - Staffing, utilities, business rates, insurances and all FM costs
 - Capital works costs
- **This level of business case progression is far in advance of other comparable models (such as the Community Stadium and West Offices) at this stage**
- A fully detailed business case will be brought back for sign off and approval by Full Council before project commencement
- **We cannot provide actual costs / income until we have a detail design**

Revenue Model Principles

- **Income projections:**
 - Managed office space and business club / virtual office income streams based on 14,000 sq ft at £16 /ft² rental + £20ft² service charge – which matches West Offices
 - Events in the Hall and Chamber provide additional income streams
 - Prudent occupancy levels reflecting early years voids
- **Expenditure projections include:**
 - Operational staff team inc. a manager and 4 support staff
 - FM costs - insurances, energy, security, cleaning and both reactive and planned maintenance
 - Admin costs – audit and accountancy fees
 - Annual sinking fund and decoration budget
 - Overheads incl full business rates

Capital Expenditure & Funding

Item Detail	Comprehensive Refurbishment	Funding
<u>Expenditure</u>		
Design Fees	£941k	
Legal Fees	£450k	
Construction costs	£6,273k	
Contingency (and risk)	£1,019k	
Inflation	£549k	
Total Expenditure	£9,232k	
EIF and capital repairs		£1,350k
Revenue funded prudential borrowing		£2,237k
Commercial development gain		£2,420k
Potential LCR grant (LGF)		£1,450k
Funding Gap		£1,775k

Financial Summary

- Project costs **£9.232m**
- Capital / borrowing (funded from revenue) covers £7.456m
- Current Gap of **£1.775m**
- Moderate changes to the business model (reduced costs of £100k) could make the scheme **self sustaining**.
- Project delivers a fully renovated and fully operational property in a prime central location.
- Gross Value Added GVA of the venture based on York average of £41.7k per job* is over **£8m** based on c200 jobs
- National average wage in this sector **£16.78 an hour** in comparison to £11.62 per hour across all sectors.

*Centre for Cities 2012

Approval sought

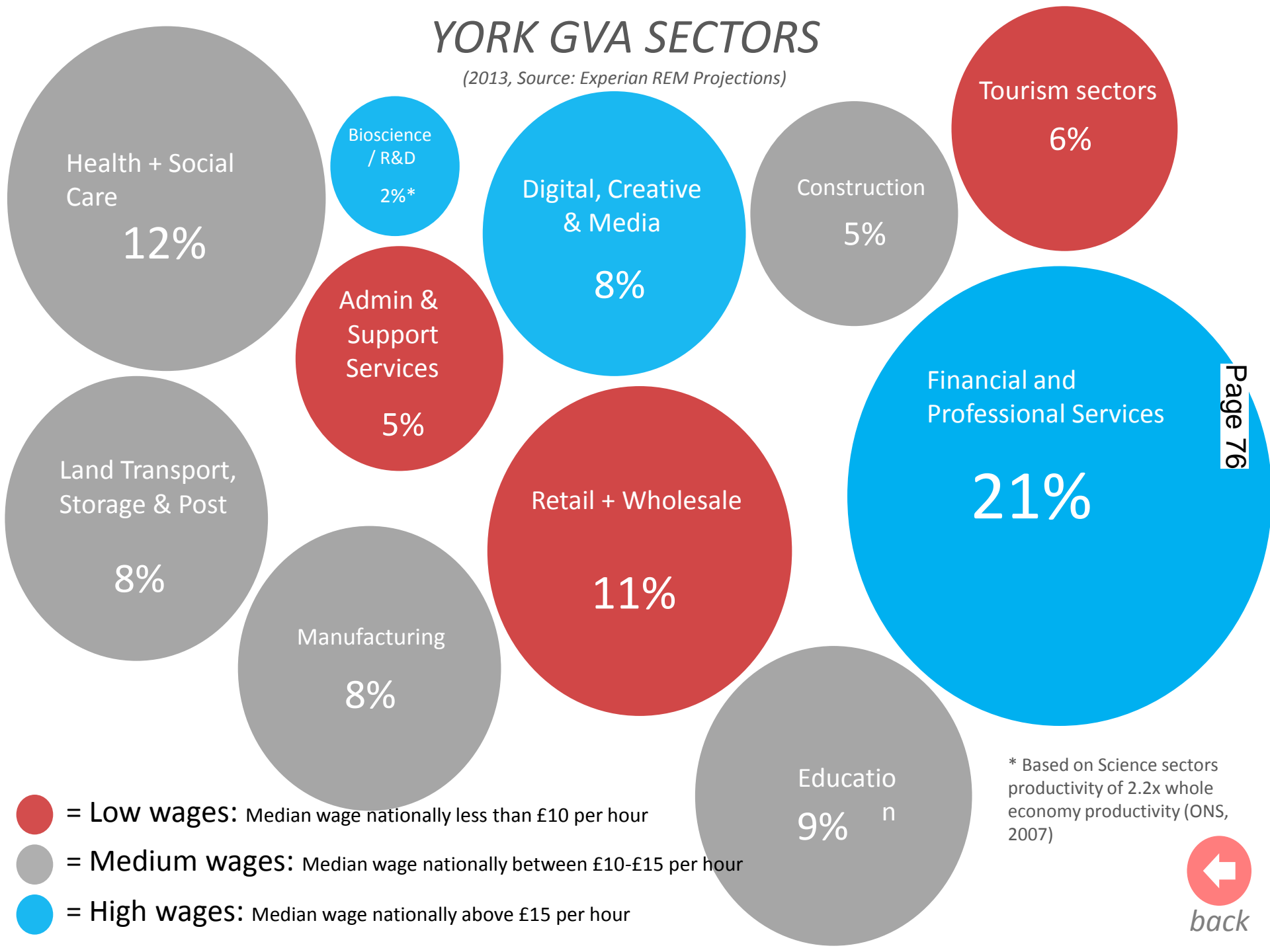
- To release £500k from previously approved EIF to undertake detail project development work over next 12 months
- Design Team – Architects, structural / civil engineers, environmental engineers – to take to planning stage.
- Commercial partner procurement
- Further public and sector engagement
- Urgent repairs / maintenance and interim use.




A proper analysis of alternative options for the Guildhall.

- The option approved in July 2013 was a Media Arts Centre
- Other potential options in this location would be :
- **Bar / nightclub / restaurant / hotel / visitor attraction**
- However if safeguarding use of the Council Chamber and Guildhall is factored – it is considered unlikely that a more viable use could be found

YORK GVA SECTORS

(2013, Source: Experian REM Projections)



-  = **Low wages:** Median wage nationally less than £10 per hour
-  = **Medium wages:** Median wage nationally between £10-£15 per hour
-  = **High wages:** Median wage nationally above £15 per hour

* Based on Science sectors productivity of 2.2x whole economy productivity (ONS, 2007)

An examination of whether this is the correct location for the job creation being proposed or any comparison with other similar projects.

- The SCY survey undertaken in Dec 2013 highlighted a central location as a key consideration for such a facility, because of transport links and easy client accessibility
- All discussions with sector representatives facilitated at specific events and through the property strategy group have confirmed this view

- **Comment from David Dickson, senior partner in leading northern accountancy firm, Garbutt & Elliott and former chairman of Science City York on the economic impact to the city and the soundness of the business case:**
- “Since it was first put forward, the idea of creating a media arts hub within the Guildhall complex has moved on significantly. The outline business plan shows real merit and certainly deserves to be taken to the next stage. The proposal to engage commercial partners to operate the centre is also commendable, to exploit private sector experience, incentivise a successful media arts centre and manage the financial risk to the council.
- “The commercial benefit that a successful media arts community will bring to the city is not in question. The Guildhall complex could provide exactly the home that such a community requires in order to thrive and compete as a world class entity.”

- **Richard Flanagan, of Flanagan James and formerly president of Leeds, York and North Yorkshire Chamber of Commerce:**
- “The Guildhall is an iconic building which has been at the heart of the city’s commerce for centuries. This exciting new vision, to provide a focus for York’s burgeoning media arts community, will create new jobs, diversify York’s city centre economy and give a vibrant new future to a landmark space.
- “I am confident that the business community will be wholly behind such an imaginative scheme.”

comparison with other similar projects.

- Significant work has been undertaken to understand comparable models including :
 - **visits to the Toffee Factory in Newcastle and the Round Foundry in Leeds**
 - the Toffee Factory business model has also been examined in detail in preparing the outline business case for the Guildhall



Toffee Factory Newcastle upon Tyne

Key facts :

- Cost £6m - Newcastle City Council / ERDF – 1NG Development Co.
- Opened 2011
- 25,000ft2 of accommodation
- 26 fully serviced office suites
- 4 shared meeting rooms
- Conference facilities
- Managed by Creative Space Management – now fully let



An analysis of how the risk could be more appropriately shared with the private sector, especially on elements which might be better handled by organisations more experienced in the specific fields of business

- The intention is to seek a private sector operating partner to operate the venue. The best contractual arrangement will be considered as part of the project development stage and could be either a licence to operate or a lease

Creative Space Management review of Feasibility study

- We consider that the model articulated is a sound basis for creating a long term, financially sustainable operation. The assumption that there are multiple offices which could deliver serviced offices is both reasonable and relatively conservative in terms of the expected rental values for such high quality aspect and space (as planned). The rent-a-desk model and new space created in the extension will deliver very high standard of space which is much in demand across York city centre.*



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