Committee(s):		Date(s):
Culture, Heritage & Libraries Streets & Walkways Sub-Committee Projects Sub Committee	for decisionfor decisionfor decision	03 March 2014 10 March 2014 Urgency
Subject: Eastern City Cluster - Public Art (Year 3 & 4) report	Public	
Report of: Director of the Built Environment		For Decision

Summary

The purpose of this report is to update Members on Year 3 of the Sculpture in the City project delivered in 2013; and approvals of funding for Years 4 and 5 which will be implemented in 2014 and 2015 respectively.

The Sculpture in the City project, now entering its fourth consecutive year has been developed as part of a long-term vision to enhance the public realm, and forms part of the Eastern City Cluster and Fenchurch & Monument Area Enhancement Strategies. It is aligned with objectives in the City's Cultural Strategy 2012/17, its Visitor Strategy 2013/17 and its community strategy, The City Together.

The project is funded primarily through financial and in-kind support from external partners and an additional contribution from the City of London. Last year, three new funding partners, Brookfield, Willis and WR Berkley, came on board to join existing partners Hiscox, British Land, Aviva, Aon, and IVG-Europe, along with two project patrons, Searcy's and MTEC (art installation company). With 8 funding partners involved, Year 3 saw the greatest number of artworks (11 pieces in total) installed so far, reaching new geographical areas and connecting the project with local transport hubs. Feedback from Members, project partners, local stakeholders, schools and volunteers has been positive, and the project has now become a key part of the City's extended cultural output.

Preparations for Year 4 are currently underway, and it is proposed to install more artworks (14-16 pieces) and deliver even more school workshops & community events than in Year 3. A short list of artworks has been selected by the Advisory Board and presented to the City Arts Initiative; a copy is attached in Appendix C.

The total budget required to deliver Year 4 is estimated at £310,000. For this Year, officers are looking to secure £220k in total of external funding from project partners. The City has already allocated £50k for the implementation of this year's project and it is now proposed to increase the contribution by £40k (funded by the interest accrued on the Pinnacle Section 106 Agreement), to give an overall total contribution of £90k. This would equate to 29% of the total budget required, with 71% secured from external partners (please refer to funding table attached in Appendix B). The increased funds will enable the City to maintain its leading role as project coordinator, managing the delivery team more efficiently by outsourcing project management services, steering the marketing campaign and delivering a better targeted communication strategy. This will enable the scheme to keep growing in a sustainable manner, maintaining and improving the quality of previous years. This will also allow delivering additional school workshops and community events in line with the City's Cultural strategy, which seeks to place cultural education at the heart of our offer while enlivening the on-street

environment (also an objective of the City's Visitor Strategy 2013/17).

The project Advisory Board, comprising senior representatives from the project partner companies and three City of London Members, continues to serve as a successful mechanism for establishing project goals, selecting of artwork and promoting partnerships with local stakeholders. Last year, the Board approved the appointment of Lacuna PR Ltd as project Co-Director alongside the Assistant Director, for Environmental Enhancement. Lacuna PR Ltd has worked on the project as an external consultant since 2010, year when the project was first implemented. In order to deliver the project more efficiently, this report recommends the appointment of Lacuna PR Ltd as a consultant for this year's project.

For future years, the intention is to continue running the project as a rolling programme (Year 5 and beyond) An update report submitted in June 2012 suggested that funding from the City will be reduced for Year 5 (2014 - 2015), with the majority of the funding being provided by external sources. However, given the strong support for the project, the opportunity exists to maintain the City's role as project leader and to continue managing the delivery of the scheme. To this end, this report also seeks to request funding of £90k from the interest accrued on the Pinnacle Section 106 agreement, for the implementation of Year 5 (2014-2015). This contribution from the City, combined with enhanced levels of external funding, will therefore enable the project to increase in scale and impact. This will also enable officers to plan for growth and develop more effective relationships with leading galleries, as well as making easier for businesses to become involved.

Recommendations

It is recommended that Members:

- i) Note the contents of this update report and agree the shortlist of artworks considered for Year 4, attached in *Appendix* C.
- ii) Approve the additional contribution of £40k (total City contribution £90k) for the implementation of this Year's project, funded from the interest accrued on the \$106 obligation connected to the Pinnacle development.
- iii) Approve an increase of £4,000 on the budget of Year 3, to cover additional staff costs incurred in the delivery of last year's project.
- iv) Approve the appointment of Lacuna PR Ltd as a consultant for Year 4 at a cost of £50,000 to be funded from the overall project budget.
- v) Approve a contribution of £90k from the interest accrued on the \$106 obligation connected to the Pinnacle development, for the implementation of the project in Year 5 (2014-2015).
- vi) Delegated authority be given to the Director of Transportation and Public Realm and Head of Finance to adjust the project budget between staff costs, fees and works providing the overall budget is not exceeded.

Gateway 6: Progress Report

Overview

Brief description of project

The east of the City is home to the City's programme of temporary artwork. The project provides a location for the display of artworks by globally recognised artists sourced through leading galleries, including Lisson Gallery, Roche Court, Sadie Coles HQ, Pace Gallery and White Cube. "Sculpture in the City" forms part of the environmental enhancement works of the Eastern City Cluster Area Enhancement Strategy (2007, to be updated in 2014) and the Fenchurch & Monument Area Enhancement Strategy (adopted in 2013).

Delivered through a successful and positive partnership between local businesses and the City, the project provides a focus for school and community events which promote the City's cultural offer helping to deliver the objectives of the Cultural Strategy and the City Together Strategy.

The first installation of sculptures by world-renowned artists took place in July 2011. In June 2012, the second year of project was implemented with 8 sculptures installed, as well as school workshops and community events.

The third year of the project, delivered in June 2013, delivered 11 artworks and 24 school workshops. The project has been widely commended by Members, business partners, the public and the art world. The innovative nature of the partnership has been recognised and has enabled for the project to grow in scope and relevance within London's art scene.

For Year Four (2014), officers are seeking to install artworks (14-16 pieces) of a similar quality to those displayed in previous years, and provide additional school workshops and community events (28-30 in total).

This report contains the shortlist of artworks for 2014 (refer to Appendix C), agreed by the Advisory Board (2nd December 2013) and presented to the City Arts Initiative in December 2013.

Success Criteria

- Help to deliver the City's Cultural Strategy, Visitor Strategy and the City Together Strategy; particularly theme no.4, "is vibrant and culturally rich".
- Deliver 28 30 school workshops in partnership with local businesses supporting the City's Cultural Strategy 2012/17.
- Continue to develop new and strengthen existing partnerships with key local businesses in the area.
- Enhance the City's reputation as a centre of excellence for the display of high profile public art.
- Enhance the streets and public spaces in line with Corporate Objectives as per the City's Cultural Strategy and Visitor Strategy.
- The project's success has been recognized and is supported by Members, City officers and local stakeholders.

The project was included in last year's Open-House London weekend, and free tours were organized. The event proved to be successful attracting lots of interest (50-60 people attended the tours). Additional tours have been organized as a request from project partner companies, and have also been offered to City of London staff. The project was featured in the London TimeOut Magazine as one of the top outdoor events in London. The project was featured in more than 20 arts, cultural and business focused magazines in the UK. Positive feedback from project partners indicates that the project is highly supported by local stakeholders, office workers and visitors. As part of the school workshops, children from neighbouring boroughs where able to explore the City and visit buildings that otherwise wouldn't have been possible due to security measures. This promotes the Square Mile, not only as a financial centre, but as a cultural quarter for visitors of enjoy. Corporate Plan 2013-2017, Aim 1: To support and promote The City as Link to the world leader in international finance and business services. Strategic Aims The City Together Strategy: Theme 4: "is vibrant and culturally rich" To support and promote the City as a cultural asset and to encourage areater vibrancy and diversity in cultural and leisure activities. • Core Strategy-Policy CS 11: Visitors, Arts and Culture • The City's Cultural Strategy 2012/17, aligning to two of its five supporting themes – Working in Partnership and Education and Learning • The City's Visitor Strategy 2013/17, SA1 (strategic aim 1) – "to develop a compelling offer for all our visitors, celebrating the City's unique heritage and cultural output, especially through the delivery of ... arton-street initiatives" Within Substantially reimbursable; Funded through different sources: which 1. Section 106 contributions from the Pinnacle development. category 2. Interest accrued from the Section 106 agreement from the Pinnacle does the development project fit 3. Financial contributions from external partners 4. In kind contributions from external partners and project patrons. Resources Total expenditure on Year 3 to date is £218,512.91 Expended To Date Contributions from the Pinnacle \$106 agreement (capital budget) and funding from external partner contributions (revenue budget). The number of artworks installed and the extent of the marketing and PR **Tolerances** campaign depends on external funding received.

Progress

<u>Progress</u>				
Reporting Period	April 2013 – February 2014			
Summary of progress since last report	The third year of the project, delivered in June 2013, was regarded as ver successful and featured 11 sculptures by globally established artist including:			
	 Robert Indiana (US) – 2 artworks Dinos & Jake Chapman (UK) – 1 artwork Richard Wentworth (UK) – 1 site specific piece Shirazeh Houshiary (UK-Iran) - 1 artwork Jim Lambie (UK) - 1 artwork Anthony Gormley (UK) - 1 artwork Keith Coventry(UK) - 2 artworks Ryan Gander (UK) - 1 artwork Petroc Sesti (UK)- 1 artwork; exhibited for the first time in a public space 			
	In 2013, aided in part by bringing on board three new project partners (Willis, Brookfield and WR Berkley), the project included the largest quantity of pieces and most ambitious installations so far. The project achieved greater public impact by installing artwork in new areas, and extending the zone towards Liverpool Street Station and Lime Street.			
	In addition to the art installations, 24 on-site school workshops were organised by Open-City London, offering interactive activities to 180 children from 6 schools within the City and adjacent boroughs. Also, a community event was organised as part of the London Open-House weekend (October 2013), during which free tours were offered to visitors, which generated a lot of interest (50-60 attendees).			
	An ambitious selection of artwork, in terms of individual requirements, logistics, and overall quantity, meant that this year the installations were technically challenging and required considerably more resources (officer time and fees). The scope of work also increased, due to the need for specialist input from external consultants, and the associated coordination and volume of communication generated. For example, two groups of sculptures were imported from Switzerland requiring HMRC import licences, whilst another piece was designed, engineered and built specifically for the project. As a result of this considerable increase in workload, additional staff time was required in order to deliver the project on time. The overspent on staff costs of Year 3, reflect the additional time and resources required to implement the scheme last year.			
	Building upon the success of previous years, a panel discussion was organised in October 2013 as part of the International Frieze Art Fair. The debate involved high profile panel members and was sponsored by one of the project patrons (Searcy's, top floor 30 St Mary Axe). The chosen venue was not as suitable as that for Year 2 because the acoustics did not create an engaging atmosphere for discussion. However, the event was generally well received by the public.			

Unfortunately, in November 2013, one of the sculptures, "Love" by Robert Indiana, which was installed at the corner of Bishopsgate and Wormwood street, was 'tagged' with spray paint. As a result of this, the owner of the sculpture requested that it be removed and repaired by specialists. The project's insurance policy will cover all restoration costs (approximate value £30k).

Officers found that early liaison with the City's access and highways teams was vital to ensure that appropriate requirements, such as plinth dimensions and positioning, were taken into account in the selection of locations on-street in future years.

Year 4 (2014-2015)

Preparations for Year 4, to be delivered in summer 2014, are underway, and partnerships with the City's external partners have been strengthened. Officers have initiated consultation on the shortlist of artwork with different departments within the City, including the City Arts Initiative, the Access Team, Highways and Planning, in order to take account of their views regarding the artwork considered in this year's project. Early liaison with City planning officers is being actioned as a priority; close working relationships with colleagues is key to the successful delivery of the scheme.

In terms of funding, overall, projected external financial contributions from partner's amounts to a total of £220k. In addition, the following in kind contributions have been confirmed for Year 4:

- Artwork valued at £5 million as loan from art galleries, equivalent to £350,000 of in-kind contribution (rental value).
- A 25% discount for the artwork installation and de-installation costs.
- Insurance costs covered by the project partners, equivalent to an estimated value of £15-20k.

For Year 4, the project Advisory Board members agreed in December 2013 the following points:

- To continue to promote the project to local businesses, with a view to bringing two additional partners on board.
- To select artwork that it's robust and easy to maintain, clean and repair
 in order to avoid the removal of artwork as a result of damage and
 potentially undertaking restoration costs. In addition, the artwork
 selected should be suitable for display in the public realm.
- To focus on maintaining the high quality and critical mass of artworks, despite the increase in project size.
- To work with a range of galleries, and to feature both established and emerging artists.
- To appoint an external consultant, Lacuna PR Ltd, as the Co-director of the project to manage the relationships with the external partners and ensure a successful communication strategy. Lacuna PR Ltd has been involved in the City's public art project since its inception in 2010 and forms an essential part of the team to continue to deliver the project. Lacuna PR Ltd will be appointed on a stage payment performance

contract, with payment related to obtaining a set number of artworks and partners. This contract is incentivised in allowing a 10% commission against all cash contributions made by partners, thereby ensuring high levels of client management and fundraising performance.

- To continue connecting the project to local attractions, for example Leadenhall Market and public transport hubs (Liverpool Street station).
- To maintain and improve the social benefits of the project through the provision of additional school workshops. *Open-City* (external consultant), will continue to deliver the events; 8 schools will be participating this year (2 more than in the previous year) and 24 30 on-site school workshops will be delivered.
- To hold another public art debate as part of the Frieze International Art Fair in October 2014. The venue and the speakers should be adequately selected.
- To continue bi-monthly meetings with the Communications Sub-Group (comprising members from the project partner organisations), aiming to deliver a broader and more successful communications strategy and PR campaign.

<u>Year 5 (2014-2015)</u>

The public art project will continue to be delivered as an annual rolling programme, renewed every summer and this report also seeks to request funding for Year 5 of the project. The City's public art initiative is gaining growing support from art galleries, Members and local stakeholders year upon year. The timely approval of funding for Year 5 (2015) will allow the delivery team to strengthen relationships with both existing and new project partners and a broader range of art galleries.

Programme

The key dates for Year 4 (2014) are as follows:

- March Final selection of artwork
- April Submit planning applications for artworks
- May De- installation of artworks Year 3
- June Installation of artwork Year 4
- June Launch event, "Sculpture in the City 2014"

It is proposed to plan the delivery of the project over two years on a rolling basis, and engage businesses and galleries over a programme for Years 4 and 5. This would enable better financial planning, facilitate Corporate Social Responsibility input from partners, enable businesses to make decisions in good time before the end of the financial year, and allow the galleries to contribute more fully as they plan their exhibitions two years in advance. This would also provide flexibility to allocate funding over the 2 year period and to plan for changing artworks on a 6 or 12 monthly basis, depending on what may work best for the project, galleries, partners and the City.

Budget

In Year 4 it is expected the cost of delivering the project will increase by approximately 20% due to:

- 1. Planned project growth, scale and scope.
- 2. Greater project delivery costs as a result of installing more artworks (14-16 pieces in total).
- 3. Increase in costs to organize and deliver additional school workshops and community events (28-30 in total).
- 4. Increase in costs to deliver a better targeted promotional campaign and communications strategy.
- 5. The City is actively seeking more external partners and it is planned that this increase in Year 4 will be covered by securing new external business partners and an additional contribution from the City.

Funding sources are as follows (please refer to Table 02):

 Projected income from external partners amounts to a total of £220k. This is inclusive of the expected contribution from two new partners, resulting in a total of 10 project partners for this Year's project. Confirmed financial contributions in Year 4 are from:

Hiscox
Aviva
Aon
Willis
British Land
IVG-Europe
Brookfield
WR Berkeley

• City's contribution will increase to an overall figure of £90k, funded from environmental enhancement contributions and the interest accrued on the Pinnacle Section 106 agreement.

This increase will enable the City to better manage the project, given its increased scale and profile, and maintain a leading role as project coordinator. The implementation of Year 3 (2013) of the project proved to be considerably more challenging, and it required significantly more resources (fees and staff costs) when compared to previous years. As a result it is proposed that costs to de-install Year 3 artwork are to be covered by the additional funds requested to implement this year's project. (Please refer to Appendix B for full breakdown of costs)

In previous years, City officers have undertaken all project management responsibilities for the delivery of the project, including:

- Planning and organising the installation and de-installation of the artworks.
- Liaising with galleries and resolving technical requirements for the installation and de-installation of sculptures.
- Preparing and submitting planning applications for the artworks.
- Preparing Health & Safety Risk Assessments.
- Liaising with project partners and local stakeholders to enable the delivery of the project.
- Organizing the on-going maintenance and cleaning of the sculptures.

- Overseeing on-site installation and de-installation works.
- General project management tasks and on-going administration of the project.

The additional funding requested in this report will enable officers to optimize the delivery of the scheme by outsourcing the project management tasks listed above. An external consultant will be appointed to undertake this work, which will be supervised by a CoL officer.

Taking account of the increased external contributions from the project partners, this means that the City will fund 29% of the total capital value of the project; with external partners providing 71% of the project value (please refer to Table 01).

Table 01. Financial contributions; Years 1 - 5

Annual project	External contributions (£)	Percentage of total project cost External contributions (%)	City contributions (£)	Percentage of total project cost City contributions (%)	TOTAL PROJECT VALUE
Year 1 (2010-2011)	£24,500	28%	£63,269	72%	£87,759
Year 2 (2011-2012)	£79,500	52.5%	£72,000	47.5%	£151,500
Year 3 (2012-2013)	£170,000	76%	£54,000	24%	£224,000
Year 4 (2013-2014)	£220,000	71%	£90,000	29%	£310,000
Year 5 (2014-2015) (projected income)	£220,000	71%	£90,000	29%	£310,000

Table 02. Projected funding sources (Year 4)

Funding source Purpose		amount (£)
City of London Contribution (\$106 agreement - Pinnacle development)	Project delivery	£50,000.00
External contributions (projected income from current project partners)	Project delivery	£170,000.00
Additional external contributions (anticipated)	Project delivery	£50,000.00
Additional funding requested (interest accrued, \$106 agreement - Pinnacle development)	Delivery costs and consultant fees	£40,000.00
Total projected funding sources)	£310,000.00 *	

^{*} Please refer to Appendix B for full breakdown of costs.

Risk

- 1. <u>Risk:</u> Funding from external partners not secured <u>Mitigating Action: Reduce.</u> Confirm financial contributions and overall budget ahead of confirming number of artworks to be installed.
- 2. <u>Risk:</u> Artwork not suitable for City locations

 <u>Mitigating Action:</u> Reduce. Involve art galleries, City officers at an early stage to ensure adequate sculptures are considered. Consult with the Highways team, planners and access advisor on potential sites for artworks as well as reviewing its suitability for public display.
- 3. <u>Risk:</u> Artwork not covered by insurance policy <u>Mitigating Action: Reduce</u>. Involve insurance providers at an early stage of the project to ensure that artwork is suitable for the proposed location and artwork materials are robust for an exterior display.
- 4. <u>Risk</u>: Planning approval not being granted for the artworks selected. <u>Mitigating Action: Reduce.</u> All artworks will be discussed with Planning Officers, ahead of submitting the planning applications. This liaison has already started for this year's installations.
- Risk: Lack of partnership working with leading art galleries, leading to a lower quality of artworks offered.
 Mitigating Action: Reduce. Continue dialogue with galleries to ensure they remain aware of the benefits of exhibiting artworks in this area.
- 6. <u>Risk</u>: Maintenance and installation costs exceeding available budget. <u>Mitigating Action: Avoid.</u> Liaise with galleries to ensure all costs are planned for, and budgets take into account artwork-specific maintenance regimes.

Communic ations

Officers consult on a regular basis with the Advisory Board, project partners, and local stakeholders.

Since its inception in 2010, the Advisory Board, chaired by Mr Michael Cassidy, has met on a regular basis and has proved to be a successful governance body for the project. The Board is responsible for making decisions and ensuring a consistent quality of artwork is maintained.

In October 2013, the Advisory Board appointed the external consultant Lacuna PR Ltd, who has been involved in this project since its inception, as Co-Director of the Sculpture in the City project, along with the Assistant Director, Environmental Enhancement.

The role of Lacuna PR Ltd is proposed to be expanded for Year 4. This will enable the communications and relationships with existing partners to be more closely managed as well as promoting the project more widely and bringing on board new partners. Experience has shown that it is important to maintain good working relationships with project partners and galleries. Lacuna PR Ltd has previous experience of event management in similar projects. The consultant will also manage and direct the marketing campaign, in collaboration with an external PR consultant (appointed by the City) and the City's Visitor development Team in Culture, Heritage and Libraries.

An external PR consultant will prepare and deliver a targeted marketing and PR campaign in line with the City's corporate objectives. The campaign will be monitored by the Communications Sub-Group, which is formed by representatives from the project partners and managed by Lacuna PR Ltd. The Communications Sub-Group will provide a steer to the press and marketing campaign and will help to develop a link between the Communications and PR departments from the various partners.

Internally, all installations and de-installation works will be planned in consultation with the relevant CoL departments and local stakeholders.

Benefits achieveme nt

- The streets and spaces have been enhanced with public art and artrelated activities in line with Corporate Strategic and Cultural objectives (CoL Cultural Strategy, Visitor Strategy and Core Strategy objectives).
- Strong partnerships have been created with key private businesses and stakeholders in the area.
- The reputation of the City of London as a cultural centre has been promoted.
- Public art makes the City a more attractive place to be contributing to the reasons why businesses s would wish to remain or locate in the City
- The economic, social & cultural benefits and impacts of the project have been highlighted in a report published by BOP Consulting in 2013. The study demonstrates that an arts and culture cluster contributes [...to the bringing vibrancy and diversity to the City by shaping the identity of the area, and providing learning and active citizenship opportunities...].

Lessons

- Sculptures with a powder coated finish are not suitable for public display, since damage is not easy to repair.
- The City needed to separately arrange insurance for some of the high value pieces of artwork. This was an additional cost to the project that was not known until a later stage. For Year 4, insurance costs will be confirmed at an earlier stage.
- Storage costs for the crates that the artwork was delivered in are an additional cost for Year 3 that was not anticipated. In Year 4, this cost will be taken into account.
- Transport costs for some of the artwork for Year 3 were much higher than anticipated due to the distance that they travelled. These costs will be fully explored and known in advance for Year 4.
- Close working relationship with Access and Highways team is necessary, in order to foresee the requirements for appropriate locations on street.
- To select artworks that will not encourage the public to climb on them so mitigating measures such as security barriers and railings are not required. Additional physical barriers detract from the quality of the installation and can create clutter in a public space.
- Early consultation with insurance providers will inform the selection of artwork.

In November 2013, one of the sculptures, "Love" by Robert Indiana, which was installed at the corner of Bishopsgate and Wormwood Street, was 'tagged' with spray paint. As a result of this, the owner of the sculpture requested that it be removed and repaired by specialists. The project's insurance policy will cover all restoration costs (approximate value £30k). The lessons from this incident will be taken on board in Year 4 when considering new potential artwork and its vulnerability for public display. Note the contents of this update report and garee the shortlist of Recommen dations artworks considered for Year 4, attached in Appendix C. Approve the additional contribution of £40k (total City contribution ii) £90k) for the implementation of this Year's project, funded from the interest accrued on the \$106 obligation connected to the Pinnacle development. iii) An increase of £4,000 on the budget of Year 3, to cover additional staff costs incurred in the delivery of last year's project. iv) Approve the appointment of Lacuna PR Ltd as a consultant for Year 4 at a cost of £50,000 to be funded from the overall project budget. v) Approve a contribution of £90k from the interest accrued on the \$106 obligation connected to the Pinnacle development, for the implementation of the project in Year 5 (2014-2015). vi) Delegated authority be given to the Director of Transportation and Public Realm and Head of Finance to adjust the project budget between staff costs, fees and works providing the overall budget is not exceeded: Autumn 2014 Next **Progress** Report

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Appendices

Appendix A Map of sculpture space, Year 4. Boundary Area.

Appendix B Budget breakdown – Year 4 (2013 -2014)
Appendix C Shortlist of artworks proposed for Year 4