

Committee(s):	Date(s):	Item no.
Streets & Walkways Sub-Committee	16/07/2012	
Projects Sub-Committee	17/07/2012	
Resource & Allocation Sub-Committee	26/07/2012	
Policy & Resources Committee	06/09/2012	
Subject: Eastern City Cluster progress report – Great St Helen’s: Sculpture Space Years 3 and 4	Public	
Report of: Director of the Built Environment	For Decision	
<p style="text-align: center;"><u>Summary</u></p> <p>Located within the City’s Eastern Cluster, the Great St Helen’s Sculpture Space provides a location for the display of artworks by globally recognised artists sourced through leading galleries, and provides a focus for school and community events that promote the City’s cultural offer. It forms part of the Eastern City Cluster environmental enhancements and is delivered through a partnership between local businesses, the art world and the City. An Advisory Board has been set up to provide guidance on project development and is chaired by Deputy Cassidy, and includes Mr Scott and Mrs Littlechild as Chair and Deputy of the Culture, Heritage & Libraries Committee respectively.</p> <p>The project has been running since 2011 (Year 1) and 2012 (Year 2) is currently underway. The initiative has been very positively received by local businesses, the public and the art world. The enthusiasm and partner involvement of local businesses means the Sculpture Space is considered a high priority deliverable for this area. The partnership working has led to an increased number of artworks in Year 2, with a total value of £1.8m, and a doubling of the number of school workshops and external business partners. The updated total cost of delivering Year 2 is £372,646, and more than 80% of this value was secured from external partners through in-kind and financial contributions, an increase from Year 1.</p> <p>Gallery and business partners commented planning over a 2 or 3 year cycle would help enable them to provide financial or in-kind support. It is proposed that the project is planned over two years on a rolling basis and that officers plan for the delivery of Years 3 and 4 from summer 2012. The project target is that the City aims for a contribution of £30,000 per annum from each of the external businesses involved. This will enhance the long term sustainability of the project, ensure efficiency gains in the process of planning and delivering each year, and will work better with the structures used by the external business partners involved and the art world.</p> <p>The total budget required to deliver Years 3 and 4 is estimated at £996,772. It is proposed that the City provides a capped contribution up to a maximum of</p>		

£50,000 per annum in Years 3 and 4, funded by £100,000 from the Pinnacle Section 106 Agreement that was earmarked in 2010 for the lower priority Phase 3 works to St Mary Axe. This would equate to 10% of the total budget required, with 90% secured from external partners. The proposed City funding is within the aims for this area set out in the 2010 evaluation report. It is anticipated this sum will be recouped through future interest accrued and savings on the cost of works through the new term contractor arrangement. In the event this is not the case, the design for Phase 3 will be scaled accordingly.

Recommendation

It is proposed that Members:

- a) Note the contents of this progress report,
- b) Approve use of £100,000 of the £800,000 earmarked in 2010 for Phase 3 evaluation and works by the City for a capped contribution up to a maximum of £50,000 per annum in Years 3 and 4.

Gateway 6: Progress Report

Committee(s):	Date(s):	Item no.
Streets & Walkways Sub-Committee	16/07/2012	
Projects Sub-Committee	17/07/2012	
Resource & Allocation Sub-Committee	26/07/2012	
Policy & Resources Committee	06/09/2012	
Subject: Eastern City Cluster progress report – Great St Helen's: Sculpture Space Years 3 and 4		Public
Report of: Director of the Built Environment		For Information

Overview

<p>Brief description of project</p>	<p>Environmental enhancement works in the Eastern City Cluster are fully externally funded by two Section 106 Agreements and one Section 278 Agreement related to the 122 Leadenhall Street and Pinnacle (22-24 Bishopsgate) developments.</p> <p>Great St Helen's Sculpture Space forms part of the environmental enhancement works in the Eastern City Cluster. On 19th April 2011 Members approved the establishing of a sculpture space for the temporary (up to one year) display of public artworks and linked community events, to be in partnership with local businesses.</p> <p>Year 1 of the project was generally regarded as very successful. Year 2 commenced planning in November 2011 and was delivered in June 2012. Eight sculptures by globally established and up and coming artists including Tracey Emin, Yayoi Kusama, Dan Graham, Michael Craig-Martin, Julian Opie and Thomas Houseago were installed in June 2012. 120 children from four City fringe schools have each taken part in 4 artist-led on site workshops. 27,569 people attended the Cheapside Fayre on Saturday 23rd June where one of the two Sculpture Space public events was located, and 1,020 children and adults took direct part in the Sculpture Space public events on Cheapside and in Leadenhall Market.</p> <p>The involvement of local businesses as partners and the enthusiasm for this project alongside the momentum gained means it is considered a high priority deliverable for the area.</p> <p>The intention is that the project will be placed on a two year rolling programme. This will enable officers to make efficiency savings in City officer time, plan for growth in partnerships, make it easier for</p>
--	---

	<p>businesses to become involved, and develop more effective relationships with leading galleries that plan on similar cycles.</p> <p>It is proposed to use £100,000 to fund a capped per annum contribution from the City in Years 3 and 4, and for the sum to be secured from the Pinnacle Section 106 Agreement sum earmarked in 2010 for the lower priority Phase 3. Phase 3 was estimated at £800,000 for evaluation and works and anticipated to be delivered in 2015-2017. Officers anticipate this £100,000 would be replenished through interest accrued, as well as there being cost savings to the works from the new term contractor arrangement, meaning Phase 3 works would not be compromised by this allocation.</p>
<p>Success Criteria</p>	<ul style="list-style-type: none"> • Enhance the streets and spaces in line with Corporate Strategic and Cultural objectives • Deliver community events in partnership with other cultural organisations • Enhance the street environment to match the standard of the current and forthcoming buildings in the area • Enhance the streets and spaces to support the increased use of the area as a result of the Pinnacle and 122 Leadenhall Street developments • Develop and strengthen partnerships with key private businesses to secure financial and ‘in kind’ contributions • Develop an approach that enables private businesses to take on an increasing part of the funding for the project in the medium term (after 3-5 years), with an aspiration that it will become financially self-sustaining • Enhance the City’s reputation as a centre of excellence for the display of high profile public art • Facilitate partnerships between City businesses and community events providers to increase access for schoolchildren to the City and City art projects • Promote a wider range of cultural/leisure activities in the public realm, with a positive impact on amenity
<p>Link to Strategic Aims</p>	<p><i>Aim 1: To support and promote ‘The City’ as the world leader in international finance and business services</i></p> <p>The project contributes positively to the appearance and reputation of one of the City’s highest profile areas, with works by world-renowned artists being placed close to iconic office locations and a historic/retail centre.</p> <p>The project helps the City achieve Key Policy Priority 4 - maximising the opportunities and benefits afforded by our role as a good neighbour and major sponsor of culture and the arts – and delivery of the City’s Cultural Strategy 2010-14.</p> <p>The project helps achieve Core Strategy Policy CS11: Visitors, Arts and Culture, by providing opportunities to display high quality pieces in appropriate locations, providing visitor information and</p>

	<p>encouraging the City's communities and visitors to make full use of its cultural and heritage facilities.</p> <p>The Sculptures Space and partnership approach is a key performance indicator stated in the emerging City of London Cultural Strategy 2012</p>
Within which category does the project fit	Substantially reimbursable – fully externally funded through Section 106 contributions from the Pinnacle and 122 Leadenhall Street developments, and financial and 'in kind' contributions from project partners. For Years 3 and 4 it is proposed to be funded from the Pinnacle Section 106 Agreement.
Resources Expended To Date	<p>On 12th March 2012 Culture, Heritage and Libraries Committee approved delivery of Year 2 of the Sculpture Space, including artworks at an estimated commercial rental value of £162,000, with total external funding estimated at £85,900 and City of London funding of £72,000. Streets & Walkways Sub-Committee received a progress update on 19th March 2012.</p> <p>Total expenditure on Year 2 to date is £40,027 including committed funds and staff cost expenditure of £4,831.</p>
Tolerances	<p>A small contingency of £3,000 has been held specifically for unforeseen costs in the display of the artworks, for example maintenance of the area for an artwork.</p> <p>The number of artworks, size of community events, and extent of marketing and PR work depends on external funding received.</p>

Progress

Reporting Period	March 2012 – July 2012
Summary of progress since last report	<p>Since the previous progress report of 19th March, the number of artworks to be sited in Year 2 increased to 8. The works, by Tracey Emin, Yayoi Kusama, Julian Opie, Michael Craig-Martin, Angus Fairhurst, Thomas Houseago and a new piece constructed specifically for the project by Dan Graham, were installed in June 2012.</p> <p>Hackney City Academy, Cayley Primary School, St Paul's Way Trust School and Haggerston School for Girls were approached to take part in the targeted school workshops as part of the City's ongoing commitment to working with children from neighbouring boroughs. 120 schoolchildren, 30 from each school, each took part in 4 artist-led workshops. The number of on-site school workshops was increased to 16 (four per school) in Year 2 from 4 in Year 1. 8 of these were held before the artworks are installed, and 8 are being held afterwards. These and 2 public events, run by experienced providers, Open City, were a successful element within the Celebrate the City programme. There were 27,569 attendees at the Cheapside Fayre on Saturday 23rd June, and 1,020 children and adults took direct part in the Sculpture Space public events on Cheapside and in Leadenhall Market.</p>

	<p>Feedback has been positive from project partners and the schools and volunteers. City officers have continued to provide all project management and fees for consultancy required to deliver the project.</p> <p>Business partnerships with the City's external partners have been strengthened in Year 2. Initial partners Hiscox, British land and Aviva all increased their financial support for delivery of Year 2. Aon and 30 St Mary Axe confirmed their financial support for Year 2, and Brookfield confirmed they were unable to support Year 2, but were committed to getting involved next year. The new partners mean the City has provided 19.2% of the value of Year 2 through S106 contributions, with partners providing 80.8% of the project value.</p> <p>The Advisory Board that has been set up is chaired by Deputy Cassidy, and comprises Mr Scott and Mrs Littlechild as Chair and Deputy of the Culture, Heritage & Libraries Committee respectively, Robert Hiscox from Hiscox, and senior representatives from British Land, Aviva, Aon, Brookfield and IVG UK. Arab Investments were invited and officers will continue this consultation as future works are progressed. Further potential partners have been identified including Swiss Re, Lloyd's of London and Willis.</p> <p>Meetings were held on 18th January, 27th March and 23rd May 2012, and local partners and City Members provided guidance on opportunities to develop the project. In particular, the Advisory Board members agreed on the following objectives:</p> <ul style="list-style-type: none"> • Preserve a focus on maintaining the quality of artworks, working with a mix of galleries and established and establishing artists, • Maintain and improve the social benefits of the project bringing the public into the City through school and community events, • Look to plan and deliver the project in a 2 or 3 year cycle to make it more efficient and affordable for the larger project partners (Aviva and Aon) due to the time needed for internal approval processes, • Consider ways to integrate the weekend City with the project, • Connect to local attractions like Leadenhall Market and Fen Court, • Ensure the project does not become too widely spread, to not dilute the identity and impact of the project, • Look at ensuring a permanent artwork presence with options of two 6-month rotations or one 12-month exhibition each year, • Approach potential new partners in the local area that have or may have an interest including Swiss Re, Lloyd's of London and Willis.
<p>Programme</p>	<p>It is proposed to plan project delivery over two years on a rolling basis, and engage businesses and galleries over a programme for Years 3 and 4 from summer/autumn 2012. This would enable better financial planning, facilitate Corporate Social Responsibility input from partners, enable businesses to make decisions in good time before financial year end, and allow the galleries to contribute more fully as they plan two years hence.</p> <p>This would also provide flexibility to allocate funding over the 2 year period</p>

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. The City currently has provided project management and fees and the two year planning would enable officers to see how allocation of time and resources in these elements can be improved.

Years 1 and 2 both resulted in the display of high quality artworks and successful school and community events. For Years 3 and 4 it is proposed to match the standards of Years 1 and 2 in artworks and school and community events. As before, officers would obtain the consent of all private landowners and planning permissions as required for the display of works. The proposed target is to secure the display of 8 artworks for 12 months in Year 3 and the same in Year 4. This would comprise a mix of artworks on 6- and 12-month displays, for example 4 artworks for 12 months, and 2 sets of 4 artworks each for 6 months. Officers will aim for growth in the project, which will depend on an increase in the number of external project partners.

The geographical area of the Sculpture Space increased in Year 2, to accommodate growing interest in the project. At the same time, all business partners commented that a key success of the project is the concentration of high quality artworks in one location providing a positive identity for the locality. For Years 3 and 4 officers would work to ensure the Sculpture Space area keeps its proximity, as well as being in a position to attract new local partners. At the last Advisory Board meeting an area bounded by Bishopsgate in the west, Bevis Marks in the north and Fenchurch Street in the south was proposed. It is proposed this would be limited to Bury Street/Billiter Street in the east to preserve the concentrated feel, please see Appendix C.

A key goal is to strengthen the partnership approach and funding mechanism. For Years 3 and 4 officers are working to strengthen existing and develop new partnerships with local businesses. The aim is to add a new partner in Year 3 and a further new partner in Year 4. Potential partners have been identified including Swiss Re, Lloyd's of London and Willis.

It is proposed to use £100,000 of the Pinnacle Section 106 Agreement sum, earmarked in the 2010 evaluation for the lower priority Phase 3, to fund a capped per annum contribution of £50,000 from the City in Years 3 and 4. Phase 3 was estimated at £800,000 for evaluation and works and anticipated to be delivered in 2015-2017. Officers anticipate the £100,000 would be replenished through interest being accrued on the principle sum up to project delivery. In addition, the new term contractor arrangement is expected to provide an average 18% saving on the cost of works. Should the project budget not be replenished, the lower priority Phase 3 will be scaled to the budget available.

The project would be planned and delivered in the same way as Years 1 and 2 with the advantage of two year planning. Officers anticipate reducing the contribution in Year 4, with the aim in Year 5 that the City

	<p>provides a contribution equal to the contributions of the other partners.</p> <p>This is considered an appropriate use of funds. The momentum behind and enthusiasm for Great St Helen's: Sculpture Space, in particular from local businesses, means the Sculpture Space is seen as a high priority deliverable for this area.</p>
<p>Budget</p>	<p>The total value of the artworks displayed in Year 2 is £1.8m. The updated expected total cost of delivering Year 2 is £372,646 (see the financial table in Appendix B). More than 80% of this value has been secured from external partners through in-kind and financial contributions, an increase from Year 1.</p> <p>The project is anticipated to grow in Year 3 and again in Year 4. The total cost for delivery of Years 3 and 4 is estimated at £996,772, consisting of £480,567 in Year 3 and £516,204 in Year 4.</p> <p>The City's contribution is proposed to be capped at £50,000 per annum in Years 3 and 4, meaning a total capped contribution of £100,000. As such, the City aims to secure 90% of the value of the project from external sources in Years 3 and 4.</p> <p>In 2010 Members approved the phased enhancement of the Eastern Cluster area, fully funded by the Section 106 and Section 278 Agreements relating to the 122 Leadenhall Street and Pinnacle developments. The City's contribution to Great St Helen's: Sculpture Space Years 1 and 2 were funded through the public art budget within the Eastern City Cluster Phase 1 environmental enhancements approved in December 2010, and fully funded by the Pinnacle Section 106 Agreement.</p> <p>It is proposed that the City's contribution to the project be funded by £100,000 from the Pinnacle Section 106 Agreement earmarked in 2010 for the lower priority Phase 3 works in this area. Officers anticipate the £100,000 would be replenished through interest accrued prior to delivery of Phase 3. Officers also expect the Phase 3 works cost to be lower than estimated in 2010 due to the new term contractor arrangement being expected to provide an average 18% cost saving on works.</p> <p>The table in Appendix B shows the in-kind and financial income, works costs, fees and staff costs relating to Years 1 to 5 of Great St Helen's: Sculpture Space. It provides:</p> <ul style="list-style-type: none"> • Income and costs for Year 1, • Updated income and expected costs for Year 2, • Indicative expected costs for Years 3 and 4, and • An outline indication for Year 5. <p>From Year 3 the value of 8 artworks on display for 12 months at commercial rates is estimated at £288,000 (at a rate of £3,000 per month per piece, based on commercial rental values). It is proposed to set a target of a £30,000 per annum contribution from each partner.</p>

	<p>In Year 3 it is expected the cost of delivering the artworks and community events will increase by approximately 20% due to the greater install costs of more artworks and to achieve 8 artworks on display for 12 months. The City is actively seeking more external partners. It is planned that this increase in Year 3 will be covered by the securing of a new external business partner.</p> <p>In Year 4 it is expected a further external business partner will be secured and the project will grow. As such, officers will look to reduce the City's contribution in Year 4, with an overall goal of the City contributing an equal sum as the contributions of the external project partners in Year 5.</p> <p>The table shows the financial contribution from the City each year, as a percentage of the total project cost. It also shows the current/anticipated balance from financial contributions in each year.</p> <p>If there is a financial balance left after the delivery of each year, this sum would be used for the planning and delivery of the next two years of the Sculpture Space.</p>
<p>Risk</p>	<p>1. Risk of not securing the level of external funding required from external partners</p> <p>Reduce. Positive relationships established with local partners. The proposed partner contribution of up to £30,000 per annum is achievable from business in this location. Planning over a 2 year period would reduce the risk of partners not being able to support due to the timing of financial year end.</p> <p>2. Risk of not securing the number of partnerships required.</p> <p>Reduce. Partnerships established with the Advisory Board members, and to identify other interested local businesses and respond to needs. If only partial funding is secured such as for the community events programme, the community events programme would be reduced to take account of the lower funding.</p> <p>3. Risk of cost to the City of Years 3 and 4 exceeding available funds</p> <p>Avoid. Planning over a 2 year period will enable City officers to monitor against the number of business partners and scale down the project if necessary. It will also provide officers with the information to inform the Advisory Board of this risk, and ensure external partners and Members can discuss and react if a cost overrun appears likely.</p>
<p>Communications</p>	<p>In Years 1 and 2 officers consulted and communicated regularly with local stakeholders and Members. The Advisory Board comprising City Members and senior representatives from Hiscox, British Land, Aviva, Aon, Brookfield and IVG UK met in January, March and May.</p> <p>Internally, all works have been developed in consultation with City Surveyors, Highways Team, Open Spaces and the Access Team, and all</p>

	<p>future works will be developed and implemented in the same manner.</p> <p>For Years 3 and 4 it is proposed the Advisory Board meets 4 times a year to continue to guide and develop the project. Works would continue to be developed in consultation with all relevant internal City Departments, and any comments received from members of the public.</p>
<p>Benefits achievement</p>	<ul style="list-style-type: none"> • The streets and spaces were enhanced with public art and art-related activities in line with Corporate Strategic and Cultural objectives • Community events were delivered in partnership with the City of London Festival • Partnerships were created with key private businesses that secured financial and 'in kind' contributions for Years 3, 4 and future years • The street environment was enhanced with artworks that match the high profile status of the offices and buildings in the local area • The reputation of the City of London as a Cultural centre and links with leading London art galleries have been enhanced • A wider range of cultural/leisure activities commences in the public realm and locality • It has been commented that work of this nature makes the City a more attractive place to live and work, contributing to the reasons why businesses would wish to remain or locate in the City
<p>Lessons</p>	<p>Gallery and business partners have commented that it is more effective for them to commit to the project with financial or in-kind support by planning over a 2 or 3 year cycle. This would enable galleries to work with the City to plan at a comparable level to how they plan their own exhibitions. In turn, this will mean officers can report back with certainty over the quality of artworks and artists to be involved in the future, providing certainty to business partners of the quality of the project.</p> <p>The current need for annual approvals in the City requires a larger amount of officer time and resources compared with a shorter progress report. Planning and delivering over two years on a rolling programme will enable officers to increase time on project delivery and ensure the reporting regime is correct and does not take up an overly large amount of the time dedicated for project management.</p> <p>Increasing the geographical area slightly enables more external business partners to become partners in the project, thereby reducing the level of contribution required from the City's S106 funds. At the same time, all partners agreed it best to retain a restricted area to maintain the concentration of high quality artworks and the impact of the project. A slight increase southwards is proposed to retain the close walking area of the Sculpture Space, and to best integrate with existing City attractions such as Leadenhall Market and enhance the identity of the overall area.</p>
<p><u>Recommendation</u></p>	<p><i>It is proposed that Members:</i></p> <p>a) <i>Note the contents of this progress report,</i></p> <p>b) <i>Approve use of £100,000 of the £800,000 earmarked in 2010 for Phase 3 evaluation and works by the City for a capped contribution up to a maximum of £50,000 per annum in Years 3 and 4.</i></p>

Report author:

Victor Callister
Assistant Director (Environmental Enhancement)
Department of the Built Environment

Victor.Callister@cityoflondon.gov.uk

020 7332 3756

Appendices

Appendix A

Artworks placed on display in Year 2 and press coverage

Appendix B

Great St Helen's: Sculpture Space – updated funding and costs for Years 1, 2, 3, 4 and outline for Year 5

Appendix C

Plan showing area extent for Years 3 and 4