

Committees:	Dates:
Culture, Heritage and Libraries Committee Streets and Walkways Sub-Committee Projects Sub-Committee Resource Allocation Sub Committee	05/12/2016 06/12/2016 14/12/2016 15/12/2016
Subject: Eastern City Cluster - Public Art (Year 6 & 7-9) Gateway 6 - Update Report	Public
Report of: Director of the Built Environment	For Decision
<u>Summary</u>	
<u>Dashboard</u>	
<ul style="list-style-type: none"> • Project Status - Green • Total Estimated Cost for Year 6 - £422,962 • Overall project risk - Green 	
<p>The purpose of this report is to update Members on Year 6 of the <i>Sculpture in the City</i> project delivered in 2016; advise on preparations for Year 7 (2017); and review the funding approval for the delivery of Years 8 and 9 of the project, which will be implemented in 2018 and 2019.</p>	
<p>The <i>Sculpture in the City</i> project, now entering its seventh 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 Strategy areas. It is aligned with objectives in the City's Cultural Strategy 2012-17, Visitor Strategy 2013-17 and the Community Strategy. The project's Partner Board brings together some of the leading names in property development and insurance in the City of London because these organisations recognise the multiple benefits the project brings towards making the City globally attractive.</p>	
<p><i>Sculpture in the City</i> sees contemporary sculpture by world renowned artists installed temporarily as part of a rolling programme which has grown year on year. This year's exhibition, Year 6, saw a greater number of artists and locations; 17 artworks in 20 locations, which has resulted in the project growing into what is now a 12 month activity.</p>	
<p>Education and learning for young people and adults is a fundamental part of the project, which has significant potential to grow in future years. Year 6 of the project included 36 on-site workshops and involved 220 children.</p>	
<p>The project is funded through external local partners and a contribution from the City of London. In addition, both national and international art galleries loan the sculptures, covering transport and part of the installation costs. The total cost for the delivery of last year's project was £422,962 (see Appendix 2 for more details), which delivered an estimated artwork value of £7,533 million on public display.</p>	

Due to the success of the project, the Partner Board have committed to funding the project over the next 3 years (2017-19) to at least the same amount per annum raised in Year 6 (£302,962). In February 2016, Members of Culture, Heritage and Libraries Committee and Streets and Walkways Sub and Projects Sub Committees approved a City contribution of £120k per annum over the same period, matching the City's funding level from 2016. The City's contribution comes from the s106 *Local Community Environmental Improvement Works* allocation of the Pinnacle development at 22 Bishopsgate. The developer of the site, *22 Bishopsgate* (Lipton Rogers), has agreed that this funding source can be used for years 2017-19 of *Sculpture in the City*. This City contribution now needs approval from Resource Allocation Sub-Committee.

In February 2016, the idea of a charitable trust being responsible for the running of the project was reported to Members. However, due to the success of Year 6 and the significant and positive publicity gained for the City, coupled with the increased risk, administration and cost of transferring management of the project to a charitable trust in more uncertain economic conditions than were expected at the time of the last report, the Partner Board is of the unanimous view that the City continue to manage the project over the next 3 years.

Recommendations:

Members of all relevant Committees:

- i. Note the contents of this update report.
- ii. Agree to retain the project in-house for the next three years
- iii. Agree that any underspend from previous years is transferred to future years of the project
- iv. Approve the appointment and/or procurement of all services associated with the delivery of the project for years 2017-19 in accordance with Section 5 of this report.
- v. Delegate authority to the Director of Transportation and Public Realm and Head of Finance to adjust the project budget between staff costs, fees and works (and between Years 7-9), providing the overall budget is not exceeded.

Members of Resource Allocation Sub Committee:

- vi. Approve a contribution of £360k from the S106 obligation connected with the Pinnacle development at 22 Bishopsgate towards the implementation of the next 3 years of the project.

Main Report

<p>1. Reporting period</p>	<p>February 2016 – December 2016</p>
<p>2. Progress to date</p>	<p><u>Year 6 (2016)</u></p> <p>The sixth year of the project, launched in June 2016, was regarded as the most successful year and features 17 sculptures by globally established artists including Anthony Caro, Matt Collishaw, Giuseppe Penone, Sarah Lucas and Jaume Plensa. In 2016, the project included the largest quantity of pieces to date and some of the most ambitious installations so far. The project achieved greater public impact by installing artwork in new areas, and extending the zone towards Fenchurch Street.</p> <p>The project is funded primarily through financial and in-kind support from external partners with an additional pump priming contribution from the City of London. Last year funding partners were 22 Bishopsgate, JSRE Ltd, Aviva, Aon, British Land, Brookfield, Hiscox, TH Real Estate, Tower 42, Willis and WR Berkley, along with four project patrons, 6 Bevis Marks, Leadenhall Market, MTEC Warehousing, Price & Myers.</p> <p>In addition to the art installations, 36 on-site school workshops were organised by <i>Open-City London</i>, offering interactive activities to 220 children from 9 school classes within the City and adjacent boroughs. Also, community events were organised as part of the Archikids Family Festival (July 2016) and the London Open-House weekend (September 2016) during which free tours were offered to visitors. These events generated a lot of interest, with approximately 450 and 300 children and adults participating in the respective events.</p> <p>Feedback from Members, project partners, local stakeholders, schools and volunteers has again been very positive for a project that has now become a key part of the City's extended cultural output. Year 6 also received extensive local and international media coverage featuring in more than 40 arts, cultural and business focused articles and received over 1000 media mentions with a potential reach of 5 million people all over the world. Sources for 2016 included the London Evening Standard, BBC Radio, ITV News London, The Guardian, Vanity Fair, the New York Times and Art Daily. Furthermore, new international artists and galleries have submitted their artworks for Year 7, showing the exposure achieved during Year 6 has led to greater interest.</p> <p>This year also saw the creation of a partnership with <i>Smartify</i>, a mobile application, allowing the audience to easily access a range of multi-media information about the artworks and artists from any device. Using advanced image recognition and augmented reality technology, <i>Sculpture in the City</i> visitors can simply scan the sculptures, and will immediately have access to engaging commentary, videos, and articles. Because this 'app' enables users to access both auditory and visual information, the experience of the artworks are more inclusive and accessible than ever. <i>Smartify</i> has provided an exciting new way for users to interact with the artworks. Responding to societal needs for digital and easily accessible information, the 'app' ensures that multi-media content relating the scanned artwork is immediately available, relevant and up-to-date.</p>

Year 7 (2017)

For Year 7 it is proposed to build on the success of previous years by installing a similar number of artworks (16-17 pieces) and delivering even more school workshops & community events than in Year 6. This year, it is also proposed to improve the project's on-line presence, including an interactive learning resource for students at Key Stage Three (i.e. ages 11-14).

Due to the success of the project, the Partner Board have committed to funding the project over the next 3 years (2017-19) to at least the same amount per annum raised in Year 6 (£302,962). In February 2016, Members of Culture, Heritage and Libraries Committee and Streets and Walkways Sub and Projects Sub Committees approved a City contribution of £120k per annum over the same period, matching the City's funding level from 2016. The City's contribution comes from the s106 *Local Community Environmental Improvement Works* allocation of the Pinnacle development at 22 Bishopsgate. The developer of the site, *22 Bishopsgate* (Lipton Rogers), has agreed that this funding source can be used for years 2017-19 of *Sculpture in the City*. This City contribution now needs approval from Resource Allocation Sub-Committee.

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The project's Partner Board, comprising senior representatives from the project partner companies and the City of London, continues to serve as a successful mechanism for establishing project goals, selection of artwork, promoting partnerships with local stakeholders and sourcing additional funding partners, and making recommendations on expenditure as required by the 106 agreement.

An Art Advisory Board has been established for the past two years to preview and comment on all the proposed artworks. This board includes established individuals from the art world in London and reinforces the credibility of the project and the artistic merit of the selection process. Over 100 pieces have been submitted for Year 7. From these pieces will form a shortlist that will be presented to the City Arts Initiative Panel and Culture, Heritage and Libraries Committee in early 2017.

	<p>The key dates for Year 7 (2017) of the project are as follows:</p> <table border="1" data-bbox="327 257 1292 548"> <tr> <td>• January/March – Selection of shortlisted artwork</td> </tr> <tr> <td>• April – Submit planning applications for artwork</td> </tr> <tr> <td>• May – De- installation of artwork Year 6</td> </tr> <tr> <td>• June – Installation of artwork Year 7</td> </tr> <tr> <td>• June/July – Launch event, “Sculpture in the City 2017”</td> </tr> <tr> <td>• July/August/September – Delivery of Walking Tours and Partner events</td> </tr> <tr> <td>• October – Call for submissions - Year 8</td> </tr> </table> <p><u>Year 8 and 9 (2018 - 2019)</u></p> <p>Funding for any future growth in Years 7-9 will come from increasing the percentage of external contributions. The key areas for growth could include:</p> <ul style="list-style-type: none"> • Expanding the education and learning programme and the project’s on-line presence • Expanding the global reach of the project to include more internationally based artists • Supporting artists in the UK through commissioning artwork specifically for the project <p>In 2018 the Royal Academy of Arts celebrates its 250th anniversary. The Royal Academy is interested in recognising this milestone by linking in some way artistically with Sculpture in the City in Year 8 of the project.</p>	• January/March – Selection of shortlisted artwork	• April – Submit planning applications for artwork	• May – De- installation of artwork Year 6	• June – Installation of artwork Year 7	• June/July – Launch event, “Sculpture in the City 2017”	• July/August/September – Delivery of Walking Tours and Partner events	• October – Call for submissions - Year 8
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<p>3. Next steps</p>	<p>See above.</p>							
<p>4. Budget</p>	<p><u>Year 1 to 6</u></p> <p>A committee report approved by Members in 2010 set out the delivery of enhancement within the Eastern City Cluster in four phases, for a total contribution of £7.4m, with £1.92m to be utilised in Phase One. The first phase included a provision for public art of £155,218 and this sum was spent on the delivery of Years 1-3 of <i>Sculpture in the City</i>.</p> <p>The original aspiration for <i>Sculpture in the City</i> to become self-funding was reviewed after Year 3. Due to the popularity of the scheme and the benefits it accrues to the City, Members approved the continuation of funding for <i>Sculpture in the City</i> into the future.</p> <p>The City’s contribution for the funding of Year 4 of the project came from the interest accrued on the S106 obligation associated with the Pinnacle development at 22 Bishopsgate, allowing the project to be funded without compromising the core funding of the S106 obligation.</p> <p>For Years 5 and 6, the successors in title of the S106 associated with the Pinnacle development, 22 <i>Bishopsgate</i> (Lipton Rogers), joined the Partner Board. With their consent, core funding, plus any interest accrued from this S106 obligation formed the City’s contribution to <i>Sculpture in the City</i>.</p> <p>Details of the financial contributions to date from the City and its external partners is provided Appendix 3.</p>							

Year 7 budget (2017/18)

In Year 7 it is expected that the cost of delivering the project will be greater than in Year 6. The increased cost of the project will be fully met, and limited by, by the financial contribution from external partners.

The expected increase in cost relates to:

- A limited expansion of the project area south towards Fenchurch Street, with potentially 1-2 additional artworks
- An improved on-line presence, including an interactive learning resource for students at Key Stage Three
- Increased costs reflecting the continuous activity now required over a 12 month period to manage and deliver a project of this scale.

Funding sources for Year 7 are as follows:

- Income from confirmed external partners amounts to a total of £302,962 for Year 7. Confirmed financial contributions are from:
 - Hiscox
 - Aviva
 - Aon
 - Willis
 - Tower 42
 - TH Real Estate
 - British Land
 - JSRE Ltd.
 - Brookfield
 - WR Berkeley
 - 22 Bishopsgate
- The Partner Board is seeking to invite additional partners and increase the external funding to £392,962.
- The City's contribution will be capped at £120k, funded from the S106 obligation associated with the Pinnacle development. For Years 7-9, 22 *Bishopsgate* (Lipton Rogers) has agreed to the use of £360k from this S106.

Taking account of the increased external contributions from the project partners, this means that the City will fund 23.5% of the total capital value of the project; with external partners providing 76.5% of the project value (please refer to Appendix 3).

5. Procurement

The unique nature of the project requires a range of specialist external consultants and services. The consultants and contractors used to date have developed good working relationships with project partners, land owners, galleries and artists. However, it remains important to test the market to ensure best value for these services, and so the services will be procured going forward.

Discussions regarding the appointment and/or procurement of the services required for Years 7-9 of the project have been held with City Procurement. A summary of the proposed appointment and procurement plan is as follows:

Year 7

- Appointment of specialist arts consultant Lacuna PR Ltd via a waiver. Lacuna PR Ltd act as Co-Director for the project and have commenced work on Year 7. Lacuna have been appointed in previous years for this role and have successfully built strong partnerships between project partners, galleries, artists and other stakeholders, which has been crucial to the success of the project.
- Tender for a one year contract to install and de-install the artwork via the

'light touch' route (MTEC Warehousing delivered this service previously)

Years 7-9

- Tender for a three year contract to deliver the education and learning programme via the 'light touch' route under the category *Education Services* (Open-City London delivered this service previously)
- Tender for a three year contract to deliver specialist project management services via the 'light touch' route (A Et Cetera delivered this service previously)
- Tender for a three year contract to deliver engineering consultancy services via the 'standard' route (Price and Myers delivered this service previously)
- Appoint Sally Bowling on a three year contract to provide conservation and maintenance consultancy services. This appointment will be via an exemption as her involvement is a requirement of the artists and galleries engaged in the project every year.
- Tender for a three year contract to deliver PR and marketing services via a 3 party quotation exercise (Brunswick Media delivered this service previously)

Years 8-9

- Tender for a two year contract to deliver specialist arts consultancy services and act as Co-Director for the project via the 'light touch' route under the category *Cultural Events and Organisation services* (Lacuna PR Ltd are currently delivering this service)
- Tender for a two year contract to install and de-install the artwork via the 'light touch' route (MTEC Warehousing delivered this service previously)

Any highways and electrical works being undertaken on the City's highways will continue to be undertaken by the City's term contractor, JB Riney.

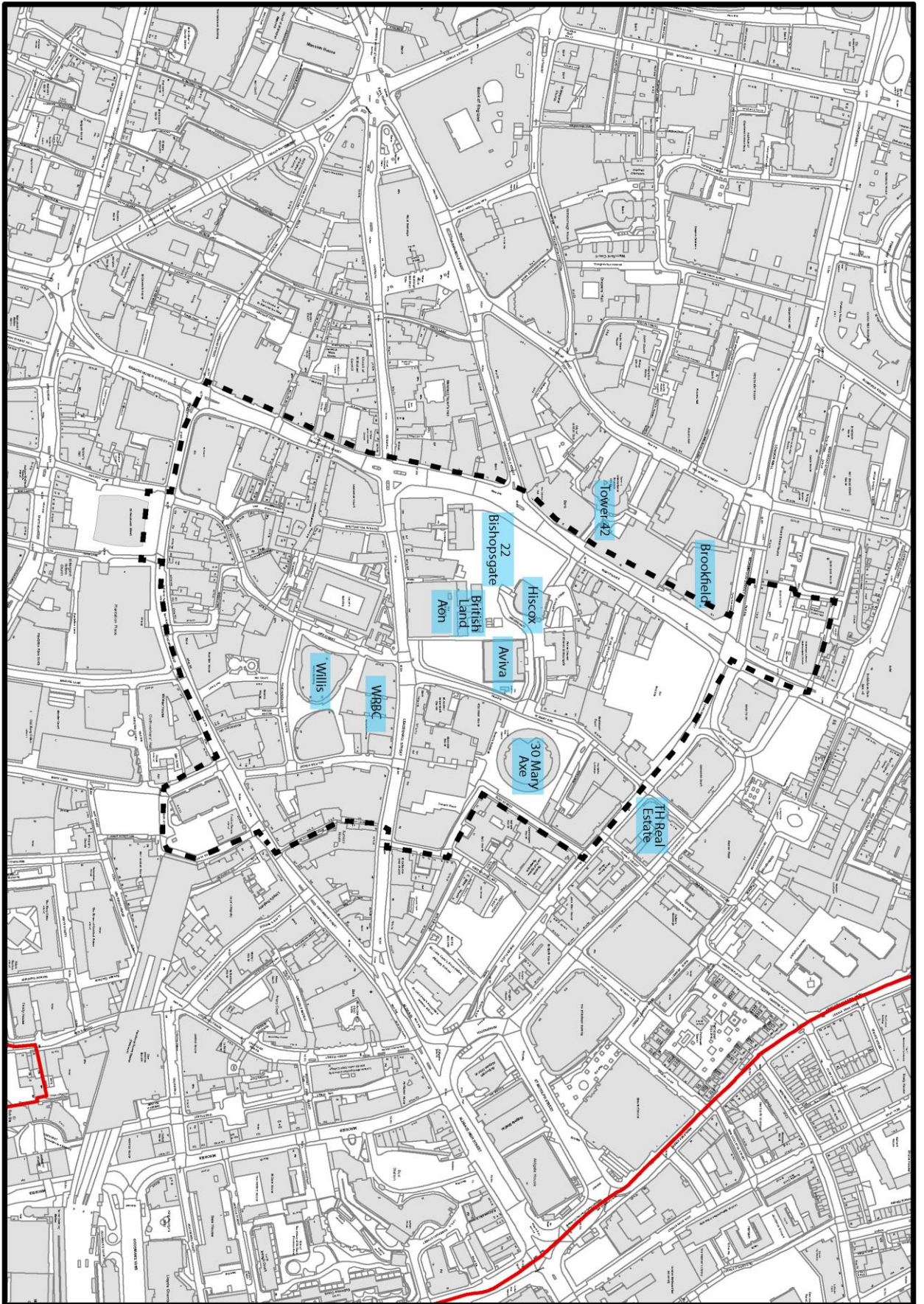
Appendices

Appendix 1	Map of project area for Year 7
Appendix 2	Budget - Years 6 and 7 (2016 and 2017)
Appendix 3	Financial contribution – Years 1 to 9

Contact

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Appendix 1



Appendix 2

Sculpture in the City Budget	Year 6 Actual Cost	Total	Year 7 Estimated Cost	Total
	£	£	£	£
Fees and Staff Costs				
Arts consultancy and Co-Director role	66,608		87,000	
Conservation and maintenance of artwork	12,000		12,000	
PR and Marketing	20,000		25,000	
Website and photography	11,610		15,000	
Education and learning programme	56,123		75,000	
Printing	4,000		5,000	
Guided tours and Partner Board events	5,000		5,000	
Specialist project management	45,000		63,000	
Storage	3,600		5,000	
Engineering consultancy	0		5,000	
Staff Costs	15,000		55,000	
Sub Total Fees and Staff Costs		238,941		352,000
Works				
De-installation of artwork	77,197		60,000	
Installation of artwork	95,728		85,000	
Contingency	10,000		10,000	
Sub Total Works		182,925		155,000
TOTAL COSTS		421,866		507,000
Income				
External contributions	302,962		392,962	
City of London contribution	120,000		120,000	
TOTAL INCOME		422,962		512,962

Appendix 3

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 (2011)	£24,500	28%	£63,269	72%	£87,759
Year 2 (2012)	£79,500	52.5%	£72,000	47.5%	£151,500
Year 3 (2013)	£170,000	76%	£54,000	24%	£224,000
Year 4 (2014)	£220,000	71%	£90,000	29%	£310,000
Year 5 (2015)	£240,000	73%	£90,000	27%	£330,000
Year 6 (2016)	£302,962	72%	£120,000	28%	£422,962
<i>Year 7 (2017) (projected income)</i>	£392,962	76.5%	£120,000	23.5%	£512,962
<i>Year 8 (2018) (projected income)</i>	£462,962	79.5%	£120,000	20.5%	£582,962
<i>Year 9 (2019) (projected income)</i>	£497,962	80.5%	£120,000	19.5%	£617,962