

REQUEST FOR DIRECTOR DECISION – DD2388

Title: Title: Yard Theatre Development Study

Executive Summary:

Approval is sought for £90,000 of grant funding to Yard Theatre Limited so that it can commission architectural design services in support of its relocation within Hackney Wick.

The work set out in the study is intended to develop designs for a cultural facility which already demonstrates great benefit to the area and to London as a whole – notably through programmes which have reached over 10,000 local people since 2016 including a number in partnership with local schools, enabling children from local estates to experience the arts and participate in shows, programming and after school clubs, alongside providing weekly animation classes, self-defence, and affordable pre and post-natal yoga classes. Over 50% of its audience come from the local area, and over 70% of participants in activity at its community centre Hub67 last year were BAME whilst 10% declared a disability.

The grant funding will come from the £6.088m Good Growth Revenue Support budget. This expenditure envelope was approved by MD2163, which also put in place a delegation to the Executive Director to approve detailed funding allocations.

The grant will be made in place of £900,000 funding previously approved for the years 2019-21 under DD2302 Good Growth Fund – Recommendations at Round 2 Stage 2. The funding will allow the Yard Theatre design development to progress, while facilitating further fundraising potential and enabling the project to reapply to future rounds of GLA Capital funding. The scope of the commission will include architectural services to RIBA Stage 3+.

Decision:

That the Executive Director of Development, Enterprise and Environment approves:

Expenditure of up to £90,000 to enable the Yard Theatre Limited to commission architectural design services up to RIBA Stage 3+.

AUTHORISING DIRECTOR

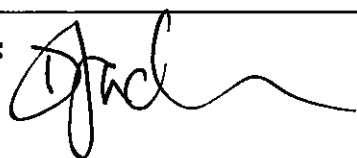
I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

Name: Debbie Jackson

Position: Interim Executive Director for Development, Enterprise & Environment

Signature:



Date:

23/08/19

PART I – NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1 MD2163 approved up to £6.088m in revenue support funding for the Good Growth Fund (GGF). GGF revenue support funding is targeted to build a balanced programme with the specific aim of ensuring that the range of objectives set out in the prospectus are achieved across London's geography. Three categories of support are offered to support the development of a balanced programme and this research will sit under (b) Research and Evidence base:
- a) **Development Funding** - to provide GGF applicants with support in meeting their project design and development costs including feasibility, viability, business planning and commercial/property advice to demonstrate need, improve quality and shape and influence the delivery of targeted outcomes, with a view to submitting a full future funding bid. This assists in the delivery of a balanced programme and assists with providing a pipeline of good projects;
 - b) **Research and Evidence base** - to support a series of research commissions which inform and influence the direction and emphasis of funding calls over the lifetime of the programme;
 - c) **Due Diligence** — to support the GLA in undertaking technical assessment of grant funding and loan applications. This will include advice on property, valuation, cost/value for money and sustainability.
- 1.2 From this revenue funding of £6.033m, £3.658m has been indicatively allocated at a programme level for Development Funding. Development funding has been approved, at Stages 1 and 2 of both rounds of the GGF. Following Round 1 approval was also put in place to bring forward proposals for approval between rounds which relates to this piece of work.
- 1.3 The Yard Theatre (Yard) applied successfully to Good Growth Fund Round 2 securing a grant in principle for £900,000 of capital funding towards the total project cost of £5m towards designing and delivering a new permanent home of 987m² –accommodating a theatre, community centre, bar & music venue, creative workspace and supporting office space
- 1.4 New information has come to light since the completion of Yard Theatre's successful Stage 2 application highlighting that the project is now dependent on match funding that is unable to be secured until December 2020, beyond the timeframes prescribed by the Good Growth Fund programme, resulting in the GLA and Yard Theatre being unable to proceed with a grant agreement, and requiring the Yard Theatre to reapply for capital funds at a future date.
- 1.5 The use of £90,000 Development Funding was approved 14 June by the LEAP Programme Board, to support the Yard Theatre to commission design services to RIBA Stage 3+ design and planning submission - recognised as a key fundraising milestone for other key funders and stakeholders of the project. This was to enable the project to progress and facilitate fundraising potential, while allowing the project to reapply in GGF Round 3 or future rounds of capital funding. The scope of the commission will include:
- Design Team appointment – Initial Scoping;
 - Design Development – RIBA Stage 3 Options Produced;
 - RIBA Stage 4a Technical Design for preferred Option;
 - Cost Consultant Services for preferred Option;
 - Additional Consultant Services –Structural Engineer, M&E, Electrical, Public Health, Acoustics, Access, Planning, Theatre;

- A Fundraising Prospectus for statutory funders, Trusts and Foundations;
- Presentations to the client team and engagement with local stakeholders, including future users; and
- Planning submission.

- 1.6 The Yard Theatre is at the heart of the fast-changing community of Hackney Wick. It is a registered charity and nationally recognised theatre catering to a young and diverse audience and supporting the next generation of theatre makers. The Yard also runs nearby community centre at Hub67 - a critical space for the local community, running after school clubs for children from local estates, weekly animation classes, self-defence, affordable pre and post-natal yoga classes, which has reached over 10,000 local people since 2016. Both buildings are on temporary leases and due for redevelopment. The Yard is an Arts Council National Portfolio Holder.
- 1.7 The site of the Yard Theatre is owned by a developer who own the majority of buildings in Queen's Yard. They are the landlords of The Yard Theatre's current site, Unit 2a, with a lease agreed until 2021. LLDC are owners of the Hub67 site and manage its temporary lease to the Yard.
- 1.8 The developer intends to redevelop Queens Yard in line with the Hackney Wick Central masterplan, providing a mixed-use scheme including residential, commercial and workspace. The masterplan outlines that provision should be made for The Yard Theatre, including community space, and this will be secured through a section 106 agreement.
- 1.9 An outline planning application was submitted to the Planning Authority in 2017. As part of the section 106 agreement relating to this scheme, the Yard has the option to purchase a 125-year lease at peppercorn rent for Unit 14 Queens Yard, with the developer providing a capital contribution to its relocation/capital costs.
- 1.10 The project was acknowledged by the GLA/LEAP to be at early stages of development. However, an explicit aspect of the Good Growth Fund Stage 2 application was the request to leverage the Good Growth Fund grant as a catalyst for securing the remainder of the Yard's outstanding project match.
- 1.11 An amount of up to £90,000 revenue grant is now sought to enable the project to progress and facilitate fundraising potential, while allowing the project to reapply for future capital funds. Based on the strategic aims of the GGF, this commission provides an opportunity to:
- Allow the project to progress largely in line with its original programme and time constraints by developers;
 - Strengthen the case for additional match funding from third parties;
 - Position it to reapply for GGF R3 with a stronger bid;
 - Refine the Yard's existing business plan; and
 - Secure a celebrated community asset and key area stakeholder of vital cross-borough importance (LB Tower Hamlets, LB Hackney and LLDC).
- 1.12 The scope of the commission itself will:
- Enable vital upfront design work and a planning submission which is essential for leveraging third party match funding to deliver the scheme within existing constraints of HoT with developer;
 - Provide the Yard Theatre with costed design options;
 - Secure the long-term sustainability of a major at-risk facility at the heart of East London's multicultural arts infrastructure;

- Reach a wide range of beneficiaries, from school children benefitting from the Yard Theatre's programming at Hub67, through to LGBTQ and BAME demographics;
- Support the GGF ambitions to work with a wider range of delivery partners to further develop how community led regeneration is delivered in line with Mayoral objectives; and
- Support and enhance the GLA and borough objectives for strengthening a designated Creative Enterprise Zone and night-time economy offer in this area.

2. Objectives and expected outcomes

2.1. The scope of the commission will include:

- Design Team appointment – Initial Scoping;
- Design Development – RIBA Stage 3+ Options Produced;
- Cost Consultant Services for preferred Option;
- Additional Consultant Services –Structural Engineer, M&E, Electrical, Public Health, Acoustics, Access, Planning, Theatre;
- A Fundraising Prospectus for statutory funders, Trusts and Foundations;
- Presentations to the client team and engagement with local stakeholders, including future users; and
- Planning submission.

2.2. The design work will facilitate the delivery of a project that supports Good Growth actions including Develop civic infrastructure, Share Culture, Enable Locally Led Regeneration and Build Skills and Employability. More specifically, the project seeks to:

- To enhance local distinctiveness and the quality of the town centre environment creating an active local centre that celebrates a sense of place, identity and community;
- Address a lack of rehearsal space for performing artists in London;
- Provide low-cost flexible community space, hireable by local people at an affordable rate;
- Support and enhance the economic resilience of the area by providing a range of morning, daytime and night-time experiences;
- Support existing residents by creating new employment and training opportunities in the arts and cultural industries; and
- Support improvements to the provision of structured learning and recreation activities for local young people.

2.3. Additional outcomes will include:

- Retention of architect to contract for RIBA Stage 4 – either directly novated, or acting in capacity as Employers Agent, at a minimum; and
- Refinement of proposals against input from specialist consultants spanning from Structural Engineer, M&E, Electrical, Public Health, Acoustics, Access and Theatre.

2.4. Planning document submitted:

- RIBA Stage 3 Tender Package Prepared (Employer's Requirements); and
- Stage 3 designs submitted to LB Tower Hamlets Planning.

2.5. Continued Design Development/Quality:

- Requirement for retention of appointed Architect through RIBA Stage 4a, and preparation of Employer's Requirements for the appointment of a contractor.

- 2.6. In collaboration with the GLA, the Yard will act as 'Client' designing a procurement exercise intended to deliver architectural services suitable to the project's needs. The selected practices will represent a blend of companies of varied size and experience to allow an informed choice between cost, experience, resources, design flair, approach and suitability to the project. The Yard will consult with the GLA project officer/Area Team Manager on this longlist before issuing them with a formal Invitation to Tender (ITT). The contract will cover services to RIBA Stage 3 and the submission and determination of a planning application.
- 2.7. Following receipt of planning permission, the Yard will contract with a Main Contractor under a Two-Stage Design and Build contract. The architect will continue Technical Design through RIBA Stage 3+, preparing Employer's Requirements informing the appointment of a Contractor, who will then manage the completion of RIBA Stage 4 and the procurement and construction of the building.
- 2.8. The Architect and Design Team will either be novated to the contractor, or at a minimum retained in a design quality oversight role, reporting directly to the Client.
- 2.9. The consultants below will be procured through a separate tender process, also managed by Plann, and be contracted directly to the Yard. The successful Architect will be involved in the final selection of the design consultants.

3. Equality Comments

- 3.1. Under s149 of the Equality Act 2010 (the Equality Act), as a public authority the Mayor must have due regard to the need to eliminate discrimination, harassment and victimisation, and any conduct that is prohibited by or under the Equality Act; and to advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not.
- 3.2. The work set out in the study is intended to develop designs for a cultural facility which runs high quality programmes which have reached over 10,000 local people since 2016 including a number in partnership with local schools, such as the Gainsborough School, to experience the arts and participate in shows and programming as well as after school clubs for children from local estates, weekly animation classes, self-defence, affordable pre and post-natal yoga classes.
- 3.3. Over 50% of its audience come from the local area, and over 70% of participants in activity at Hub67 last year were BAME whilst 10% declared a disability.
- 3.4. As a condition of GGF funding agreements, projects awarded funding will be required to meet the Public Sector Equality Duty and demonstrate this through regular reporting of progress.

4. Other considerations

Key risks and issues

- 4.1. Resourcing: A key consideration moving forward is that the Yard requires upfront assistance and funding to progress designs that can unlock further funding, as the project team cannot otherwise afford design expertise required to further develop the project.
- 4.2. Resourcing: Receipt of planning consent is often considered a key milestone to fundraise against
- 4.3. Reputational: The failure of the Yard to secure a permanent home on Queens Yard, and its potential loss in Hackney Wick poses a potential reputational risk for the GLA, in light of the Yard's central role in the creative community in Hackney Wick, and the Hackney Wick & Fish Island Creative Enterprise Zone.

- 4.4. Conflicts of interest for anyone involved in drafting and approving this form have been considered, and do not apply.

Links to Mayoral Strategies & Priorities

- 4.5. This study will meet the GGF actions as outlined in 2.1 as well as the following key wider programme objectives GGF and associated development funding:
- 4.6. To work with a wider range of delivery partners than previous GLA funding programmes, other than established public sector bodies and build organisations' capacity to deliver regeneration projects. This will inform learning to shape future programmes and encourage detailed engagement with place specific issues and opportunities to improve the impact of Mayoral investments.
- 4.7. Cross-borough investment: this commission will invest in a cross-borough location shared by LB Hackney, LB Tower Hamlets, and LLDC planning authorities
- 4.8. In his vision, a 'City for All Londoners', the Mayor recognised and championed the importance of high streets and town centres as central to his vision for 'good growth' – and included pledges to produce the world's first cultural infrastructure plan, giving an overview of all the city's cultural requirements to inform spatial and transport planning up to 2030 and to use the London Plan to protect creative workspace, heritage and the night-time economy.
- 4.9. Last March, the Mayor published 'All of Us' – the Mayors Strategy for Social Integration, setting out the ambition for creating an environment where more Londoners can make new connections, breaking down the barriers of social class and economic inequality and bringing those of different ages and backgrounds together in shared experiences – including the ambition to develop world-leading best practice on using sport, volunteering, arts and culture as powerful tools for social integration.
- 4.10. The draft London Plan lays out a framework (Policy 3.16) for the Protection and enhancement of social infrastructure which recognises that London requires additional and enhanced social infrastructure provision to meet the needs of its growing and diverse population. This includes a wide range of facilities such as health provision, nurseries, schools, colleges and universities, community, cultural facilities (Policy 4.6) particularly in areas where significant new housing is proposed, such as opportunity and intensification areas (Policy 2.13) making residential areas more attractive and turning them into sustainable neighbourhoods and communities (Policy 7.1). It is therefore essential to plan for high quality social infrastructure alongside development particularly in major new development and regeneration areas[1].
- 4.11. The draft London Plan also lays out a policy framework (HC5) – Supporting London's Culture and Creative Industries in particular to support continued growth and evolution of London's diverse cultural facilities and creative industries is supported. In particular, the priority to protect existing cultural venues, facilities and uses where appropriate and support the development of new cultural venues in town centres and places with good public transport connectivity.
- 4.12. HC5 specifically recommends where Creative Enterprise Zones are already established that priority be given to supporting existing, and the development of new, cultural venues within the Creative Enterprise Zone and to helping deliver spaces that are suitable, attractive and affordable for the creative industries, taking into account the particular requirements of established and emerging creative businesses in the Creative Enterprise Zone in accordance with Policy E2 Low-cost business space, Policy E4 Land for industry, logistics and services to support London's economic function and Policy E8 Sector growth opportunities and clusters.
- 4.13. The Mayor's draft Economic Development Strategy and Implementation Plan reinforces the above, by articulating a vision for London to become a truly 24-hour city, one which is welcoming and accessible for all, and positions Culture as a key aspect of Good Growth.

5 Financial comments

- 5.1 Approval is sought for expenditure of up to £90,000 on external services to undertake the Yard Theatre design development study.
- 5.2 The expenditure will be funded from the Good Growth Fund budget as approved by MD2163 and will be delivered in the 2019-20 financial year.

6 Legal comments

- 6.1 Paragraphs 1 to 2 of this report indicates that the decisions requested of the Director concern the exercise of the GLA's general powers, falling within the GLA's statutory powers to do such things considered to further or which are facilitative of, conducive or incidental to the promotion of economic development and wealth creation, social development or the promotion of the improvement of the environment in Greater London; and in formulating the proposals in respect of which a decision is sought officers have complied with the GLA's related statutory duties to:
- Pay due regard to the principle that there should be equality of opportunity for all people;
 - Consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom; and
 - Consult with appropriate bodies.
- 6.2 In taking the decisions requested, the Director must have due regard to the Public Sector Equality Duty; namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010, and to advance equality of opportunity between persons who share a relevant protected characteristic (race, disability, gender, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment) and foster good relations between persons who share a relevant protected characteristic and persons who do not share it (section 149 of the Equality Act 2010). To this end, the Chief Officer should have particular regard to Section 3 (above) of this report.
- 6.3 Officers have indicated that the proposed expenditure to the Yard Theatre will amount to the provision of grant funding and not payment for works or services. Officers must ensure that the funding is distributed fairly, transparently, and in a manner which affords value for money in accordance with the GLA's Contracts and Funding Code. Officers must ensure that an appropriate funding agreement is put in place between and executed by the GLA and the Yard Theatre before any commitment to fund is made.

7 Planned delivery approach and next steps

Activity	Timeline
Director Sign Off	August 2019
Procurement of contract	w/c 9 September 2019
Delivery Start Date	15 September 2019
Delivery End Date	January 2020
Project Closure	January 2020

Appendices and supporting papers:

None.

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after it has been approved or on the defer date.

Part 1 - Deferral

Is the publication of Part 1 of this approval to be deferred? NO

If YES, for what reason:

Until what date: (a date is required if deferring)

Part 2 - Sensitive information

Only the facts or advice that would be exempt from disclosure under FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form - YES/NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to
confirm the
following (✓)

Drafting officer:

Olivia Tusinski has drafted this report in accordance with GLA procedures and confirms the following:

✓

Assistant Director/Head of Service:

Patrick Dubeck has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

Financial and Legal advice:

The Finance and Legal teams have commented on this proposal, and this decision reflects their comments.

✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 19 August 2019.

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature



Date

19.08.19

TOM MIDDLETON ON BEHALF OF MARTIN CLARKE