

# GREATER LONDON AUTHORITY

## REQUEST FOR MAYORAL DECISION – MD1599

**Title: Lumiere London**

### **Executive Summary:**

Lumiere London is a major new free to attend festival of light taking place over 4 evenings in January 2016. It seeks to address the annual slump in trading in mid-January (post sales), aiming to help generate at least £6.41 million in economic benefit. It aims attract approximately 1 million visitors, strengthen business partnerships, and deliver significant international media coverage for London.

This will be a flagship legacy programme delivered by Artichoke Trust in partnership with the retail, tourism and cultural sector in the West End. The Mayor's financial support will help leverage at least £1.5 million in business sector investment in order to deliver this as a major new visitor attraction for January 2016.

Lumiere London has already garnered a huge range of support across the board from Westminster City Council, London & Partners and TFL through to Bloomberg, Kings Cross, Crown Estates and Heart of London Business Alliance.

### **Decision:**

That the Mayor approves:

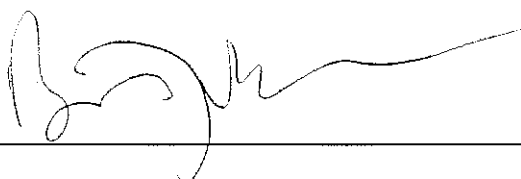
- expenditure of up to £500,000 to grant fund Artichoke Trust's production of the Lumiere London, subject to Artichoke Trust securing investment from partners to the value of a minimum of £1,500,000;
- underwriting of up to an additional £125,000, based on total agreed expenditure of £2,277,000, subject to Artichoke securing £1,652,000 and continuing to seek further external income beyond that level, and subject to the final accounts being sent to GLA by 28 February 2016.

### **Mayor of London**

I confirm that I do not have any disclosable pecuniary interests in the proposed decision, and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

**Signature:**



**Date:**

14.1.2016

## PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

### Decision required – supporting report

#### 1. Introduction and background

- 1.1 In 2012, the one day cultural event in Piccadilly Circus - as part of the Cultural Olympiad festival – co-produced by the GLA, drew audiences of 250,000 and increased footfall to Piccadilly in excess of 23%. In response to this successful event in the heart of their business area, Heart of London Business Alliance approached GLA in 2013 to explore how to build on this success and to consider how to increase the economic impact for their district during the winter months.
- 1.2 Working with GLA, Heart of London Business Alliance agreed to invest £50,000 in 2013 to commission a feasibility report by producers Artichoke Trust, to look at a new event that could boost footfall to the West-end. The report recommended a new night time festival for January 2016 that would contribute to the London economy during the winter slump.
- 1.3 The feasibility report highlighted how light interventions are increasingly being delivered successfully in cities around the world from Sydney to Berlin, Lyon, Tokyo or New York, increasing tourism, promoting destinations and delivering big economic impacts. The Vivid Sydney Festival drew 1.4million visitors, had over 1.3 million hits on its website and had an economic impact of \$20million.
- 1.4 A costed business plan was delivered as part of the initial feasibility and partnerships have been developed further during 2014. The project will deliver:
  - 4 evenings of light installations
  - 20 creative commissions
  - Hundreds of volunteering opportunities
  - Hundreds of opportunities for children/schools to participate
  - Partnerships across central London business districts
  - Evaluation of audiences experience and economic impact
  - Collaborations between public and private sector.
- 1.5 The vision put forward by Artichoke Trust through the feasibility process has been adopted by the business community. In 2013 an agreement was made that Artichoke Trust would lead on producing the event, in partnership with Heart of London Business Alliance, based on their track record of successful delivery of major events in London and other UK cities. Artichoke are leading the fundraising campaign and bear the responsibility for the programme as Heart of London do not have the capacity to do so. Artichoke have a strong track record in fundraising for similar scale projects and conducted negotiations with several external key funders to secure finance for the project.
- 1.6 Artichoke, who will produce Lumiere London, is the UK's leading creative producer of outdoor arts events. From the ground-breaking presentation of *The Sultan's Elephant* to Antony Gormley's Fourth Plinth work *One & Other*, and the Lumiere festivals, each of the company's successfully delivered events has been regarded as a benchmark in standards of technical production, logistical challenge, audience development and artistic vision. Artichoke has a track record for fundraising for multi million pound projects.
- 1.7 Artichoke Trust developed the concept for this festival, they will curate, manage and produce this in partnership with key stakeholders. They have a strong track record of delivering successful major festivals of light in Durham and Londonderry. They estimated that the total cost will be up to £2.5million and provided GLA with a budget for production, commissioning, staffing and licensing /permissions. Artichoke has worked in the West-End on previous occasions and understand the challenges, as well as the needs of the multiple partners in the area.

- 1.8 The project has the strong support of Westminster City Council, The Crown Estate, Heart of London Business Alliance, Regents Street Association, English Heritage and London & Partners. These partners have worked together to deliver the feasibility, vision and budgets for the festival.
- 1.9 London & Partners estimate that the Gross Value Added (GVA) from Lumiere London could be approximately £9.8 million plus £6 million for the visitor experience, a total of £15.8 million.
- 1.10 There are no clashes in the London events calendar at this time of year and so this is a good moment to make a major push for tourists and to gain media coverage for the city. London & Partners is supportive of the Lumiere London and are positioning the festival as a major highlight of the Winter season.
- 1.11 Investment from the Mayor is critical to unlocking crucial leverage from across the private sector. An investment of up to £500,000 and up to £125,000 underwriting from the Mayor demonstrates support for the project and has enabled Artichoke to unlock a further minimum of £1.5million in additional investment, amounting to almost 3 fold leverage on investment in the city. Amongst other funders:
- Heart of London's new property BID is investing a £250,000.
  - Kings Cross/Argent are investing £350,000
  - Bloomberg are investing £250,000
  - Further investment has been secured from Crown Estates, Regent Street Association, and Grosvenor & Shaftesbury Estates as well as in kind support via Westminster City Council, Transport for London and London & Partners.
  - Fortnum & Mason hosted a business leaders' dinner in March 2015 to develop partnerships in Lumiere London.
  - London & Partners are working closely with Artichoke to develop business partnerships, including briefing all London & Partners staff and hosting a Chairman's Dinner event (Tier 1 sponsors from London 2012).
- 1.12 The Royal Parks have stipulated that any damage incurred to Grosvenor Square Gardens – with reference to the grass, buildings or pavements – would need to be covered by the festival's producers. The GLA has agreed with Royal Parks to cover for the reimbursement of up to £35k to the Royal Parks, should remedial works incurred through damage be required to Grosvenor Square following the Lumiere event.
- 1.13 The Mayor's culture and events team will ensure that Artichoke take all reasonable steps to ensure that no damage takes place, including whilst securing the site during the set-up, festival period and get-out; stewarding during the festival; limiting capacity to the gardens and asking audiences to stay off the grass; complete photographic evidence of before production starts and as soon as production is ended; monitoring incidents during daytime (open public use) and evenings (festival use) on the 14-17<sup>th</sup> January, to ensure that responsibility for any damage can be clearly agreed. A 3-way written agreement to this effect will be put in place.
- 1.14 Further feasibility would be undertaken in 2016 after the inaugural festival, to explore the potential for this to become an annual or biennial event. However, investment at this stage does not commit the Mayor to invest beyond 2015/16.

## **2. Objectives and expected outcomes**

- 2.1 Investment in Lumiere will deliver the following major economic benefits:
- a public audience estimated at approximately 1 million
  - significant media value and potential economic benefit of over £20million (based on Vivid Sydney and Lumiere Durham), an estimated economic value of £15.8million (L&P), with overall

additional economic benefits estimated at £6.41 million (GLA) – see attached appendices that show calculations.

- approx. £2million in leveraged funding and in-kind support from sponsors and partners, the majority to be reinvested in the London Economy
- an investment of over £220,000 in employment opportunities for creative professionals – producers, production managers and technicians
- showcase work by 50 international artists/designers/makers /performers + support for 5 emerging artists
- 12+ brand new apprenticeships in the creative sector
- opportunities for over 100 volunteers in liaison with Team London
- more opportunities for artists to create new work to distribute/sell to other global festivals
- over 1,000 children, young people and adults taking part in a Learning and Participation project through an associated schools programme.

Figures are based on evaluation data from Lumiere Durham, Vivid Sydney, Piccadilly Circus, L&P, and GLA Economics.

- 2.2 Lumiere also aims to help raise the profile of Heart of London Business Alliance, and other neighbouring business clusters such as Kings Cross, Mayfair, Piccadilly, St James and the West End during the winter slump.
- 2.3 The proposed total investment of up to £625,000 will have a *multiplier effect* as partnerships are developed across the public, private and voluntary sectors to drive the economic and social impact of the programmes, bringing investment into the London Economy, a value for increased in-kind support and wider marketing opportunities / benefits.

### **3. Equality comments**

- 3.1 Under Section 149 of the Equality Act 2010, as a public authority, the Mayor of London must have 'due regard' of the need to eliminate unlawful discrimination, harassment and victimisation as well as to advance equality of opportunity and foster good relations between people who have a protected characteristic and those who do not.
- 3.2 The Programme will ensure that more children and young people in London have an opportunity to access free arts and cultural activities through the additional delivery of a borough wide programme of educational activities linked to the festival. Artists will work in schools to support children and young people to create light art installations that will be displayed as part of the festival.
- 3.3 Artichoke will seek to offer Training/Apprenticeships/Internships in the design of the programme, for up to 12 young people to develop their skills and career opportunities across the production of major events, building on the Mayor's Culture Squad programme in 2012.
- 3.4 Lumiere London will be an accessible free to attend festival in the heart of London. The producers will seek to ensure that they give weight to providing information/support in advance and during the festival around access to remove barriers to sections of the community, in line with the Outdoor Arts Network's Access Toolkit for festivals.
- 3.5 As a legacy project, Artichoke will ensure that there are commissions from a range of diverse London based, national and international artists, both established and emerging.
- 3.6 Artichoke will work in partnership with key strategic agencies to monitor and continue to develop this programme to ensure that communication around the festival also meets the needs of equality groups that are different from the needs of others.

#### 4. Other considerations

##### Top project risks

	Risk description	Mitigation / Risk response	Current probability (1-4)	Current impact (1-4)	RAG	GLA risk owner
1	Reputational Damage Funding initiatives that are badly run, that are significantly scaled down or that are cancelled risks the capital's reputation	The GLA has developed a strong working partnership with Artichoke. They have a strong track record for delivering highly ambitious, high profile, high cost events in the capital.	1	4	G	Culture Team
2	Unable to raise sponsorship or external funding	Artichoke have track record of setting and delivering fundraising targets; potential public and private sector partners have welcomed an approach and are supportive of the proposed project. Some underwriting is provided but will be funded from existing Health and Communities budget.	2	3	G	Culture Team
3	Maintaining quality control of these high profile artistic projects.	Long term planning for large scale project delivery; strong control over project managers / artistic producers put in place; partnerships with high quality production companies or producers and artists.	1	3	G	Culture Team
4	Financial mismanagement	Close contract management and milestones/deliverables built into grant agreement.	1	3	G	Culture Team

##### Links to strategies and Mayoral and corporate priorities

Lumiere London will deliver against the following Mayoral commitments:

- The goals set out in ***Cultural Metropolis, the Mayor's Culture Strategy***
- The ambitions in ***the Mayor's 2020 Vision*** - The Greatest City On Earth: this sets out ambitions for a 'new London outdoor festival' to follow the success of the Cultural Olympiad.
- ***The Mayor's Roads Task Force Report***: this report sets out a vision for 'world-class streets and roads in London, fit for the future.' Lumiere London will offer a safer public space on the streets around Piccadilly and St James to explore the retail, heritage and architecture of the areas.

##### Impact assessments and consultations

This investment represents more than the sum of its parts and will enable the GLA to lever in significant additional investment for this signature programme. It will support the business community in the West End, strengthen London's tourism offer and increase media coverage in 2016 and beyond.

## **5. Financial comments**

- 5.1 The GLA contribution of up to £625,000 towards the Lumiere London event will be funded from within the existing 2015/16 Health and Communities programme budget. Any additional liability of up to a maximum of £35k arising from potential repair work that may be required at Grosvenor Square Gardens will be funded from the 2015/16 contingency budget.
- 5.2 This proposal is looking to draw-on up to £625,000, to include £500,000 from reserves and up to £125,000 from the Health and Communities Budget, to support Lumiere London. This investment will be allocated to the producer Artichoke Trust by way of a grant agreement, subject to the Artichoke Trust securing investment from partners to the value of a minimum of £1.652m. GLA expenditure will be dependent on the project milestones agreed with the Artichoke Trust.
- 5.3 The Mayor has agreed to pay Royal Parks costs incurred for damage to Grosvenor Square Gardens, up to a limit of no more than £35,000 as detailed in the report. This would be taken from Contingency.
- 5.4 There is sufficient funding available for Lumiere London on a one-off basis from a combination of the reserves and the Health & Communities budget. The Olympic Legacy reserve comprised the residual underspend on the GLA's Gametime City Operation's programme which was funded from Olympic precept and was part of the Public Sector Funding Package for the Games. Now that agreement has been reached with DCMS on the final instalments to complete the Mayor's commitment to funding of the Games, City Operations contracts have been closed out and obligations to the ODA completed it is possible to release the remaining balance. As the City Operations programme funded the Piccadilly Circus event during Gametime there are clear parallels with the proposed project and it would be an appropriate use of the remaining reserve.
- 5.5 As detailed within the main body of the report, the GLA investment of £500,000 on this project is dependent on the Artichoke Trust securing a minimum of £1.5m from partners and will only be triggered once the £1.5m has been secured. The £1.5m partner contribution is essential to the project. The underwriting of up to £125,000 is based on a total agreed expenditure of £2,277,000, subject to Artichoke securing £1.652m and seeking further external income and to the final accounts being sent to GLA by 28 February 2016.
- 5.6 This proposal does not commit the GLA to invest in this project beyond the 2015-16 financial year.

## **6. Legal comments**

- 6.1 Sections 1 to 3 of this report indicate that:
- 6.1.1 the decisions requested of the mayor fall within the statutory powers of the Authority to do such things as may be considered facilitative of or conducive to the implementation of the mayor's cultural strategy which is prepared and published pursuant to section 376 of the Greater London Authority Act 1999 ("Act") and the duty of the Authority to promote tourism in Greater London under section 378 of the Act; and
- 6.1.2 in formulating the proposals in respect of which a decision is sought officers have complied with the GLA's related statutory duties in sections 30 to 33 of the GLA Act and section 149 of the Equality Act 2010 to:
1. pay due regard to the principle that there should be equality of opportunity for all people further details on equalities are set out in section 3 above) and to the duty under section 149 of the 2010 Act to have due regard to the need to eliminate unlawful discrimination, harassment and victimisation as well as to advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not;

2. 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
3. consult with appropriate bodies.

6.2 Section 1 above indicates that the contribution of up to £625,000 to Artichoke Trust will amount to the provision of funding and not a payment for services rendered. On the basis that this payment is to be funding, as opposed to the procurement of services, the Contracts and Funding Code (the 'Code') requires the GLA to ensure that the funding is distributed fairly, transparently and in accordance with the GLA's equalities obligations. The Code also requires the GLA to demonstrate value for money in the allocation of this funding.

6.3 The relevant officers should liaise with TfL legal to ensure that a funding agreement is put in place to govern the grant of this funding to Artichoke Trust prior to any payment being made.

## **7. Investment & Performance Board**

7.1 This decision was originally approved December 2014 by IPB. The Board has been updated of progress through the performance updates.

## **8 Declaration of interest**

8.1 A declaration of interest was made by Justine Simons, Senior Manager –Culture and Creative Industries who is on the Board of Trustees for the producers Artichoke Trust. She was therefore not involved in the decision nor is she taking any part in the management of the project.

**Public access to information**

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) 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 approval 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 Confidentiality:** Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

**Is there a part 2 form – NO**

**ORIGINATING OFFICER DECLARATION:**

Drafting officer to confirm the following (✓)

**Drafting officer:**

Chenine Bhatena has drafted this report in accordance with GLA procedures and confirms the following have been consulted on the final decision.

**Assistant Director/Head of Service:**

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

✓

**Sponsoring Director:**

Jeff Jacobs has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

**Mayoral Adviser:**

Munira Mirza has been consulted about the proposal and agrees the recommendations.

✓

**Advice:**

Finance and Legal have commented on this proposal.

✓

**EXECUTIVE DIRECTOR, RESOURCES:**

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

Signature *M. D. Allen*

Date *13.1.16*

**CHIEF OF STAFF:**

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature *[Signature]*

Date *14:01:2016*