

EAST HERTS COUNCIL

EXECUTIVE - 5 SEPTEMBER 2017

REPORT BY THE EXECUTIVE MEMBER FOR HEALTH AND WELLBEING

INVESTING IN CULTURE IN HERTFORD

WARD(S) AFFECTED: All wards within Hertford

Purpose/Summary of Report

There are a number of schemes that are being considered by both the Council and other partners that all relate to the Cultural offer within Hertford. These fall into three main projects which if considered as individual business cases may not stack up on purely financial terms, however, by wrapping the projects together they could deliver much greater benefits for Hertford and the wider area overall. Given the proximity of the projects to each other there is a potential of establishing a “Cultural Quarter”, an area within the town that could have a positive benefit on each other and beyond. This paper considers the opportunity to invest in two of those projects through the use of New Homes Bonus reserve.

RECOMMENDATIONS FOR EXECUTIVE: that:

(A)	the use of New Homes Bonus reserve funding to provide seed funding of up to £20k to the Arts Hub to enable more detailed scope and design work to be undertaken, be approved; and
(B)	the use of New Homes Bonus reserve funding to provide a contribution of up to £100k towards the cost of building works to expand Courtyard Arts as per the planning permission already granted, be approved, subject to the rest of the project funding being raised to allow the full project, as outlined, to go ahead.

1.0 Background

1.1 The Hertford Urban Design strategy that has been approved by the Council recognised that Hertford could benefit from better defined “quarters” that made best use of the unique characteristics of parts of the town to create a more attractive offer, encouraging vibrancy, movement in the town and encourage visitors to the area. Hertford already has a rich heritage and cultural offer but there is the potential to build further on this through the creation of a cultural quarter. There are three main projects that the Council and its partners are currently considering investing in that have the potential to create this broader, cultural offer.

1.2 The three projects are:

- Improving facilities at Courtyard Arts
- Creation of an Arts Hub at two sites in Hertford
- Considering the commercial approach at Hertford Theatre

1.3 Tourism is already an important part of the local economy within Hertford and contributes significantly to the towns overall vibrancy. In 2015, Visit Herts undertook a visitor values and volume study of our 5 main towns. The information for Hertford concluded that:

- There are 609,500 annual trips to Hertford with the vast majority of these being day trips
- 43,500 trips include overnight stays, with the average length of stay being over 7 days
- The average spend for overnight stays is just over £40 per day and day trip spend just over £41per day. (This includes people who stay overnight with friends and family so this has potential to impact on the numbers and in addition, Hertford may be being used as a base for day trips further afield including London)
- The tourism and visitor economy creates and supports around 830 jobs within the town.

1.4 Through investment in projects that could attract different visitors to the town there is an opportunity to increase both total visitor spend as well as average spend per day within the area.

- 1.5 There are four sites that make up the projects identified in this report and these are within easy walking distance of each other. There are already well established links between Courtyard Arts and Hertford Theatre with joint-working both informally and formally in place.
- 1.6 For the Arts Hub, both the Theatre and Courtyard Arts may benefit from the creation of the art gallery and workshop space. This should attract new people into the area that may have otherwise not come. Local shops, restaurants and hotels should also benefit from additional tourism spend too.
- 1.7 There are already other cultural and heritage projects within the town that would complement the three projects as described in this paper. Hertford Town Council have recently invested in a heritage trail with plaques around the town showing sites of interest, encouraging people to walk around the town to view these. On the fringe of the suggested quarter is Hertford museum as another example.

2.0 Detail on Projects being considered

Courtyard Arts (Port Vale, Hertford) – Improving facilities

- 2.1 Courtyard Arts and Community Centre has been in operation since 1996 as a community art space in Hertford. It is run as a Community Interest Company and Charity.
- 2.2 The centre operates out of a building on Port Vale that is owned by East Herts Council and is leased to Courtyard Arts for £7kpa. When Courtyard Arts originally moved into the building, the Council provided £25k as a contribution towards the costs of converting the space into suitable facilities for use as an arts centre.
- 2.3 The current configuration of space allows for studio space for rental by local artists, teaching space, gallery space and a small café that sells homemade cakes plus a small shop. The centre also operates outreach work in the community to enable those who have an interest in art in Hertford and the surrounding area, access to activities.

- 2.4 Currently, they have more than 150 members, more than 200 people attending classes every week and between 25 and 30 exhibitions per year at the gallery, or at Hertford Theatre who also display artwork in their foyer. Their main objective is to provide a launch pad for all members of the community to achieve their artistic potential and they undertake outreach work with local school children, young and older carers, with individuals affected by disability including dementia and with those from a disadvantaged background. In 2015 the centre ran 51 workshops for these groups within the community.
- 2.5 The centre is entirely self-funded and currently has an annual turnover of around £113k pa which has until recent years covered the costs of the work of the centre. In the last 2 years they have made a small loss of between £1-4k.
- 2.6 The proposed project will expand the centre to address unmet need within the area, demonstrated by the fact that there is a significant waiting list for -courses and for the studio space. Having reviewed the potential for expanding the centre to create more space and to transform the way in which they could run their services, they sought planning permission for a reconfigured building, including covering the courtyard with glass to create a more permanent gallery and café space that could be used all year round. This permission has been granted and expands the useable space of the site by around 50% with the majority of that being increase in teaching space which is their main source of income.
- 2.7 Should the site be built out, the anticipated turnover would significantly increase however the running costs would also increase. The requested investment would put the centre on a more financially stable footing and it's anticipated a small surplus would be generated after 3 years once all the space can be fully utilised.
- 2.8 The anticipated build time would be between 9 and 12 months and during that time they would lose income by not having the space to run some of the courses and projects as normal.
- 2.9 Initial estimates of building the new facility do vary significantly in their business plan and they would need to undertake more rigorous tendering to get to a detailed price. Estimates to date

show the work is likely to be at least £350k. The Centre has engaged someone with fundraising experience to assist in seeking funding for the project.

- 2.10 In terms of outcomes for individuals, it is anticipated that there would be increases of 60% in teaching spaces pa (from 240 students a week to 390), an additional 15 term time courses (50% increase) and the potential for more courses and activities in the covered courtyard area during winter months and finally more capacity for arts parties. The volume increases are phased over 5 years.
- 2.11 Courtyard Arts have drafted a business case for how the project would be managed if they are able to raise funds. East Herts Council was initially approached for a £10k grant towards project costs so that their architects and structural engineer could be engaged to develop detailed drawings, given the building belongs to us. We were able to fund this from existing budgets. Without these more detailed costs and drawings, raising funds for the overall project from others would be much more difficult as grant givers expect to see this level of detail within bids. They have already secured over £10k from two grants towards the rest of the costs of undertaking this work.
- 2.12 Funding of £100k towards the costs of the work for the building has been requested in recognition that East Herts Council, as the freeholder of the building, will gain from an increased asset value once the work is completed. It is also suggested that we could expect a small increase in the rental fees once the works are complete, although this is likely to be modest, in the region of an additional £1k pa in rent.

Creation of an Arts Hub within Hertford

- 2.13 A project has been identified around a local, world-renowned artist called Alan Davie who lived in Hertford until his death in 2014. Some of his work is currently displayed in the Tate and is sought after from collectors with a number of his paintings displayed at galleries both nationally and internationally. A group has been formed to consider a way in to recognise Alan Davie's connection with this area as well as using this opportunity to encourage arts investment into the area.

- 2.14 The Arts Hub is a group that has been set up to explore the possibility of utilising space within the McMullen's Brewery Site which is currently being developed by White Hart developers for housing. Part of the site has been set aside as community use within the S106 agreement and the developers have been looking for community partners to work with.
- 2.15 Hertford Theatre had considered whether this space could meet some of the needs they have to alleviate their own pressures on studio space, but this location is unsuitable for their activities.
- 2.16 In addition, a site that is owned by Herts County Council, the site of the Old British School, across from the brewery site, has been sitting dormant for some time and the covenants and restrictions on the land are such that it has been difficult to identify a use and purpose for this site. (The restrictions are essentially that it needs to be used for educational purposes but is totally unsuitable for modern school facilities).
- 2.17 An ambitious project is being considered by the Arts Hub that could bring back into use both the Old British School site as well as utilise the community space within the McMullen's brewery site to house a collection of Alan Davie works and other well-renowned artists. This could create wider opportunities for educational opportunities linked to this gallery space. There would also be the potential to create workshop space (which would complement the space at Courtyard Arts rather than compete) at the Old British School that Hertford Theatre may wish to utilise on occasions.
- 2.18 Funding has been established for a PhD into the later work of Alan Davie, which would be essential to any fundraising efforts to bring this project to fruition. The idea would be to create a financially sustainable venture for high-quality gallery and educational space which has the potential to attract new visitors and tourists to Hertford.
- 2.19 To fund such an ambitious project would require funding of several £m for both sites and fundraising would be sought from bodies such as the Arts Council.
- 2.20 Successful bids to the Arts Council often demonstrate the wider benefits to an area including bringing historic buildings back to life

and contributing to the regeneration of towns and for positive economic impacts too. The group have engaged specialists (Counter Culture) to consider the potential benefits that this kind of project could bring to Hertford in the context of a wider cultural offer, and discussion with Hertford Theatre has already taken place as part of their exploratory work.

- 2.21 To be in a position to pull together the bid, the Arts Hub require seed funding in the region of £120k which includes funding for this specialist consultancy work as well as more detailed architectural and building design work.
- 2.22 East Herts have been asked for a contribution to the seed funding costs only with no expectation for funding of the actual capital works. In return, there is an opportunity to learn from the findings of the consultants that may be useful to other work we would want to do around Hertford Theatre.
- 2.23 Contributions have already been received from the developer, Hertford Town Council (although this is tied to a match fund from us if we choose to make one) and potentially some funding from HCC. It is proposed to contribute £20k to the project.
- 2.24 In terms of direct benefits from the project there are no specific financial returns to East Herts although clearly if the project was successful at securing funding and creating the kind of arts offer hoped for, then there are potential benefits around increased footfall within the town and the positive impact on the visitor economy for both the Town, the surrounding area and other services we have an interest in. It may also bring new visitors to Hertford Theatre which would have direct financial benefits for the Council.

Considering the commercial approach at Hertford Theatre

- 2.25 Hertford Theatre is a well-established venue within Hertford with a reach much wider across the District and surrounding area. Through the hard work of the team based there, and investment from the council they have built an excellent reputation for the breadth of the arts and cultural offer delivered from the theatre.
- 2.26 They offer a wide variety of shows, productions and films at the site alongside rooms for hire and a café in the foyer including the

popular annual pantomime. The theatre has also established close links with other organisations such as Courtyard Arts plus other regional theatres to ensure a broad offer that appeal to a wider audience of theatregoers. In addition they have been successful at securing funding from a number of sources to increase accessibility and reach to audiences that may otherwise not attend the theatre as well as putting on specialist productions/workshops for specific groups including those affected by dementia, special screenings of films for individuals with autism and outreach work with schools.

- 2.27 The theatre is currently subsidised by the council and a review is underway to determine if there are potential ways in which to reduce that subsidy through investment in the theatre and be able to harness more commercial opportunities such as accessing first run screenings for films.
- 2.28 Through this work it will also be possible to better describe the broader social benefits of the work the theatre undertakes with other groups and partners and the positive impact they have on health and wellbeing. This paper does not address the specifics of this business case as that will come forward later in 2017. To be able to assess the impact of all of the projects on each other it is important to consider the theatre as part of the overall approach to creating a cultural quarter in Hertford.

3.0 Key Considerations

- 3.1 By considering the outcomes of all 3 projects together, it can be seen that there is the potential to create a distinct area within Hertford that could be identified as a cultural quarter that could draw new visitors to the area and have a positive impact on the economic and social vibrancy of the town centre as well as a positive impact on individuals health and wellbeing.
- 3.2 The Council does not currently have an overall Cultural Strategy for the whole District, but this is being developed and will be considered during 2017/18. There are also a number of other projects where investment has been made by the Council into arts and culture or that are already under consideration e.g. Ware Arts Centre and options for Bishop's Stortford town centre.

3.3 The financial impact of the proposals in Hertford would be as follows:

- £20k revenue contribution to The Arts Hub, to fund initial works to put together funding bids from national Arts and Heritage funds
- £100k capital grant funding to Courtyard Arts to partially fund works to a building that we own the freehold of
- £10k revenue contribution to Courtyard Arts to enable the engagement of architects and structural engineers to get fully worked up costed proposals for the necessary work.
(NB.This has already been funded through existing resources within agreed council budgets)

3.4 To fund both the capital grant to Courtyard Arts and the contribution to the Arts Hub, it is proposed to allocate money from the New Homes Bonus priority fund reserve. This reserve is set aside to fund one-off projects that meet the Council's overall priorities and is therefore an appropriate way in which to fund these two project contributions.

4.0 Implications/Consultations

4.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**

Background papers

None

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