



PART A: MATTERS DEALT WITH UNDER DELEGATED POWERS

REPORT TO: POLICY AND RESOURCES COMMITTEE

DATE: 29 JULY 2021

**REPORT OF THE: PROGRAMME DIRECTOR FOR ECONOMIC
DEVELOPMENT, BUSINESS AND PARTNERSHIPS
PHILLIP SPURR**

TITLE OF REPORT: MILTON ROOMS GRANT UPDATE AND BUSINESS CASE

WARDS AFFECTED: MALTON

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

- 1.1 To detail the proposed changes to works listed in the original approved grant of £193,000 (approved at full Council in February 2021).
- 1.2 To review the business case for the additionally budgeted £307,000 to support further refurbishment work at the Milton Rooms (approved at full Council in February 2021).
- 1.3 To request approval for the proposed changes and to request the release of funds for the budgeted £307,000.

2.0 RECOMMENDATION(S)

- 2.1 It is recommended that:
- (i) The proposed changes to the original works approved by Council in February 2021 be approved.
 - (ii) The business case for the budgeted £307,000 be accepted and the funds approved for release.

3.0 REASON FOR RECOMMENDATION(S)

- 3.1 In light of the unexpected further budgeting of £307,000 for the Milton Rooms during the full council meeting in February, the original proposed works for the approved grant of £193,000 have been modified by the Milton Rooms trustees. Much of the proposed works will continue as planned but changes have been made to some elements to act as infrastructural preparations for the work proposed as part of the additional funding. This is intended to ensure best value for money overall.

3.2 A full business case for the additionally budgeted £307,000 has been outlined and presented as requested.

4.0 SIGNIFICANT RISKS

4.1 Elements of the originally approved grant works that have not been modified have been outlined in a grant agreement being drawn up. If the proposed changes are not approved it could impact plans already underway to progress these.

4.2 The business case for the budgeted £307,000 is aligned with the Milton Rooms strategic development plan and if this proposal is not approved this could impact their wider development opportunities.

4.3 There is a risk that the cost of materials will rise which could affect the proposed budgets. Attempts to mitigate any effect of this have been made through the provision of a contingency fund within the original budget.

5.0 POLICY CONTEXT AND CONSULTATION

5.1 The Council Plan 2020-2024 highlights the ambition to support Ryedale's Creative Industries and expand the cultural offer. Investment in the building improvements outlined in these proposals would support that aim and widen opportunities for business and audience development at the Milton Rooms, having a positive impact on Ryedale more widely.

5.2 The Milton Rooms Working Party report was concluded in March 2020 and contained a series of recommendations to support the development of the site. The report included reference to building improvements (section 7.1/3 and section 7.2/5). The Milton Rooms have progressed with the recommendations, many elements of which are embedded in their business plan and evidenced in the business case for funding.

5.3 Prior to their original grant request for £193,000 (which was approved at Full Council on 25th February 2021), it was requested the Milton Rooms provide a business plan for the site. This was developed and submitted with the previous request for funds. A further business case has now been submitted.

5.4 The North Yorkshire Cultural Strategy is soon to be published. It outlines regional priority actions for cultural development which include:

- widening reach
- place-shaping
- access to the cultural/heritage offer
- development of local leadership and
- investment in creative skills

The proposed developments at the Milton Rooms will help to deliver these priorities.

5.5 The recent Ryedale-based consultation work which was carried out to help shape the Ryedale Cultural Action Plan revealed 95% of respondents felt that arts and cultural activity enhanced a sense of community and 82% said they'd like to see more activity available. The developments at the Milton Rooms will support the increase of the cultural offer for Ryedale communities.

REPORT

6.0 REPORT DETAILS

Changes to the works proposed as part of the formerly approved £193,000 grant:

- 6.1 In February 2021 the Council approved a grant of £193,000 for refurbishment works at the Milton Rooms. This grant was requested as part of the Milton Rooms Committee's development plans for the site and a full business plan was provided in support of the bid. The refurbishment proposals included new toilet facilities and improvements to the kitchen and lighting facilities; all of which will support public accessibility and artistic and business developments at the venue.
- 6.2 At the February council meeting it was also agreed that an additional £307,000 be budgeted for the Milton Rooms for further improvements to the building. Any approval to release these funds would only be made subject to receipt of a business case.
- 6.3 This additional budget of £307,000 while welcome, was not anticipated by the Milton Rooms board when the original £193,000 grant request was made. As a consequence they have since reconsidered their original spending plan for the £193,000, to ensure that it is managed in line with how the additional funds can be best spent and to ensure best value for money. The Milton Rooms trustees have therefore revised some of their original proposals. The Table below highlights the key areas of work and indicates which have changed since the previous grant was approved.

Key works listed in previous proposal:	Key changes based on new Proposals
Refurbish Basement Gents Toilets	Unchanged
Refurbish Basement Ladies Toilets	Unchanged
Installation of Lift	Unchanged
Refurbish Unisex Toilet	Unchanged
Strip out and clear disabled toilet	Unchanged
Refurbish Bar Toilets	Unchanged
Unisex Toilet and Baby Change	Cancelled – plumbing and waste issues; modifications instead to be made to existing plans for the Studio Toilets refurbishment.
New Sink to Bar Area	Unchanged
New Kitchen facilities (outside Assembly Rooms)	It is proposed this is now conducted as part of the additionally budgeted £307,000 funding.
Main Hall Decorating	It is proposed this is now conducted as part of the additionally budgeted £307,000 funding.
Floor Cleaning	It is proposed this is now conducted as part of the additionally budgeted £307,000 funding.
New stage steps	Unchanged
Black Out Curtains	It is proposed this is now conducted as part of the additionally budgeted £307,000 funding.
Kitchen Refurbishment	Unchanged
Wheelchair Ramp	Cancelled, the existing ramp has been modified by volunteers
Lighting Rig	Unchanged
New Heating Systems	Cancelled – investigations proved options to be too expensive

	<p>Additional Items: Due to changes as outlined above, and the intention to ensure suitable groundwork preparations for works to be proposed as part of the additionally budgeted £307,000 funds, the following items have been suggested to complete the original £193 grant spend, subject to approval:</p>
	Bar Security Grills
	Infrastructure/Refurbishment for digital LED Lighting and Sound Line Array system, Wi-Fi plus infer-red hearing loop, rewiring throughout the building
	Refurbishment works (flooring and lighting) to Ladies Powder Room.
	Decorate Green Rooms and stairwell

A full breakdown of the proposals and the changes is included in Appendix B.

- 6.4 As evidenced in full in Appendix B, these suggested changes are in part to use funds from this earlier grant to provide some preparatory infrastructure work for proposals outlined in support of the £307,000 business plan, such as lighting and sound works. Some works outlined originally were also able to be modified which meant that other elements could be withdrawn.
- 6.5 For those elements of the original grant request which have not changed (totalling £136,450.29), a grant agreement for the new total is being progressed.
- 6.6 Regarding the altered works: a spending proposal is detailed on page 5 of the new business plan (Appendix A) and further outlined in the Budget Spreadsheet (Appendix B) for the remaining £56,545.29 of this original grant money. These proposals are:

Bar Security Grills (addition as present grills are not secure)	£2,125.00
Infrastructure/Refurbishment for digital LED Lighting and Sound Line Array system, Wi-Fi plus infrared hearing loop, rewiring throughout the building to reach present day electric regulations for certification for lighting and sound. Equipment to be installed in phase 2 using the additionally budgeted £307,000 funds.	£46,875.00
Ladies Powder Room to enhance the entrance with non-slip flooring	£3,922.60
Decorate Green Room & Stairwell	£3,622.69
Total request from £193,000 agreed grant	£56,545.29

6.7 These proposals both continue to support developments for accessibility at the venue while also providing electrical infrastructure support for further lighting and sound work outlined in the business plan for the additionally budgeted £307,000 funds.

Business Case for the additionally budgeted £307,000 funds

6.8 At the February Council meeting where the Milton Rooms grant request for £193,000 for refurbishment works was approved, Members also agreed to budget a further £307,000 for the Milton Rooms development plans.

6.9 Members requested a business case would need to be presented including an outline budget for the £307,000 before approval could be granted for release of the funds.

6.10 The business case is presented at Appendix A. The document provides background on further business and organisational developments at the Milton Rooms. It also evidences actions taken in response to the Milton Rooms Working Party Recommendations. Sections include:

- an updated vision for the Milton Rooms site;
- an outline of governance and management developments and objectives including improvements to the volunteer and membership programme
- partnership developments: including opportunities being explored with Helmsley Art Centre, Pocklington Arts Centre, Pickering Memorial Hall, The Wesley Centre, York Theatre Royal and more.
- Updates to the recent programme and future plans for programming; including recent visitor feedback
- Plans for 2023 and beyond

6.11 These developments so far have proved successful. The plan also includes the revised proposals for the original grant request (detailed in sections 6.1-6.7 above) as well as a business case and budget breakdown for the additional £307,000 funds. The proposals that are outlined for the £307,000 funds support the Milton Rooms business plan.

6.12 It is proposed that the budgeted £307,000 be used to support further refurbishment and improvement works. These are:

Main Hall Audio Line Array Sound System – Based on research completed with professional performers: they often reach out to provincial venues to rehearse before going on tour or playing at the large city centre arenas. This circuit is very lucrative but the big performers and bands will only consider this if the equipment is of the highest standard. The Line Array system offers superb sound quality and future proofs the Milton Rooms for the next 30 years. This system was used when the main hall underwent its audio mapping from Leeds Beckett University.	£167,000.00
Blackout Curtains Main Hall	£18,000.00
Stage Curtains	£7,550.00
Masking stage curtains	£950.00

Decorate Main Hall	£10,000.00
Main Hall Floor	£7,500.00
Lighting Bars over Stage	£38,000.00
Radiator Grills Main Hall	£5,000.00
Lighting for the Assembly Rooms & Foyer	£21,420.00
Material for Roman Blackout blinds Assembly Rooms	£2,900.00
Lighting Square Truss	£26,400.00
Box Office	£2,219.95

6.13 A full breakdown of these proposals is outlined in the Business Plan case for funding (Appendix A) p.6-7.

6.14 These improvements, like the work taking place as part of the original £193,000 grant will support accessibility at the venue and will help contribute to Ryedale's cultural offer through the opportunities that can be developed. The benefits will include:

- improved accessibility for the public, including those with sensory impairments, supporting the venue to develop its audiences and increase footfall at the venue.
- improved facilities and equipment for professional visiting acts allowing for a wider range programming and greater opportunities to attract headline acts to the venue,
- improved facilities could also allow the Milton Rooms to provide rehearsal space for big-named acts which could include revenue of up to £500 and £1,000 per day,
- greater capability for the Milton Rooms to work with a range of community groups with improved accessible facilities open to all
- An increase in visitors due to access improvements and the broader cultural offer will support the venue to be financially sustainable in the longer term,
- The development of a wider range of facilities and a more accessible site will provide the Milton Rooms with the ability to diversify their income streams through both the wider range of programming that is possible, the improved opportunities for community use of the site and the development of new initiatives such as operating the studio bar independently of the rest of the venue.
- The proposals outlined will provide the foundational work for further funding bids to external organisations with the intention of attracting further investment.

Further investment benefits are noted on page 7 and 8 of Appendix A.

7.0 IMPLICATIONS

7.1 The following implications have been identified:

a) Financial

- £56,545.29 The total from the original £193,000 grant which has been reallocated towards other works and for which approval is sought.
- £307,000 of additionally budgeted funds.
- A full income/expenditure spreadsheet with predicted figures is included as Appendix C.

b) Legal

As with the original £193,000 grant, the additional funds being requested are for works outside of the maintenance remit of the sub-lease between the Milton Rooms and RDC. If all or part of the financial request is granted, the legal team will draw up a grant agreement with approved terms and conditions.

When preparing the grant agreement for the £193,000 it was requested by the Milton Rooms Trustees that RDC hold the funds and any invoices for work be paid for directly so the VAT can be reclaimed. To ascertain the viability of this, colleagues in Legal, Finance, Democratic Services and Procurement were consulted for input on whether RDC could legitimately meet this request. It was concluded that:

- If RDC pay any invoices directly then they would be the contracting authority and any contracts would need to comply with the councils Contract Procedure Rules (CPR's) and Public Contract Regulations (PCR's),
- If the Milton Rooms receive the funds from us in pre-agreed instalments (which would be outlined in the grant agreement) they would deal with the contracts themselves in line with any specific terms in the agreement and subject to their own organisations procurement rules.

As stated, the Milton Rooms preference was for the invoices to be dealt with through RDC and paid on their behalf. In this case RDC would be the lead contracting authority and would manage the procurement activity and the authority CPR's and PCR's would apply. It was therefore discussed that the grant would be paid to the Milton Rooms via a schedule outlined in the grant agreement. The same agreement can be progressed for this additional grant.

c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental, Crime & Disorder)

All necessary health and safety protocols will be followed if the works outlined in the grant request works are to go ahead. These can be outlined in the terms and conditions of a grant agreement.

Many of the proposals in the grant request are to enhance the accessibility of the venue which will support equality of participation for a wider range of people.

It is intended that the developments proposed will all be carried out by Ryedale-based suppliers where possible thus minimising the overall carbon footprint. Many of the refurbishment works are intended to improve the overall energy efficiency of the building. For example, water usage will be minimised through the installation of touch-sensitive taps and improved toilet flushing systems. Heating and insulation will be improved through the installation of better energy efficient radiators and the floor to ceiling black out curtains which improve acoustics but also act as insulators. The introduction of LED lighting and the electrical improvements will all serve to increase energy efficiency.

It is expected that any future requests for capital investment will be expected to include a carbon assessment prior to grant funding being considered.

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POLICY AND RESOURCES COMMITTEE

29 JULY 2021

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Background Papers:

Appendix A - Milton Rooms Business Plan
Appendix B – Spreadsheet of proposed budgets
Appendix C – Income Expenditure spreadsheet

Background Papers are available for inspection at:
Location or web address
Economic Development Team Files.