

CABINET

Assembly Rooms 02 September 2014

Report of Chief Officer (Environment)

PURPOSE OF REPORT				
To allow Cabinet to consider an option for a future use of the Assembly Rooms				
Key Decision	<input type="checkbox"/>	Non-Key Decision	<input type="checkbox"/>	Referral from Officer
				X
Date of notice of forthcoming key decision		NA		
This report is public				

RECOMMENDATIONS OF CHIEF OFFICER (Environment)

- (1) That Cabinet considers the option outlined in the report for the future use of the Assembly Rooms.
- (2) That Cabinet considers whether it wants officers to work on the detailed development of this option as outlined in the report.
- (3) That if Cabinet does want this option to be developed further detailed reports are brought back to Cabinet before any final decisions are taken.

1.0 Introduction

1.1 Cabinet previously considered a report on the future of the Assembly Rooms in Nov 2013. Cabinet resolved as follows-

- (1) That the development of a business case for an alternative trading use for the Assembly Rooms, based on the findings of Appendix A to the report, be approved, including the food emporium and collectables market options.
- (2) That Cairn Consultants be requested to deliver a presentation to Cabinet on their findings.
- (3) That Cabinet meets with traders from the Assembly Rooms to discuss ideas in more detail.

2.0 Proposal Details

- 2.1 Since then much work has taken place in terms of considering a potential business case for the Assembly Rooms that is realistic, affordable and is consistent with Cabinet's decision, the findings of the Cairn report and some of the views expressed by traders.
- 2.2 Pivotal to this report has been an approach from the Fig Tree. The Fig Tree is a registered community interest company. It is currently based in a leased Council building in Garstang.
- 2.3 The Fig Tree is the world's first international Fair Trade Centre. The centre focusses on three interrelated local heritage themes-
 - Fair Trade and Fair Trade Towns (Lancaster is a fair trade District)
 - The British Transatlantic Slave Trade and its abolition (Lancaster was the fourth largest slave trade port in Britain)
 - The Religious Society of Friends (Quakers), which was found in '1652 country' that lies to the north of Lancaster.
- 2.4 The Fig Tree also provides an educational outreach and learning centre for all ages, an exclusively fair trade and local café, and a gift shop that sells fair trade and local products.
- 2.5 Current arrangements for the lease of the Garstang building are due to end. Therefore the Director of Fig Tree approached Lancaster City Council with a view to establishing the possibility of operating from a City Council owned building.
- 2.6 Although the Fig Tree was very interested in the City Museum it has also expressed an interest in operating from the Assembly Rooms.
- 2.7 At this stage no commitments have been made either way. However what has been discussed in outline is a model whereby the Fig Tree would operate from the Assembly Rooms, in the way it currently does in Garstang. This could still allow some space to be provided to local artisan traders.
- 2.8 The use of the Assembly Rooms in this way would be consistent with the findings of the Cairn report. It would create an attraction that provided an insight into the history of Lancaster, helped raise awareness of Fair Trade, provided a fair trade/ local café and space for artisan traders.
- 2.9 In terms of how any relationship with the Fig Tree would develop as a community interest company the Fig Tree has stated that ideally it would want to explore the possibility of a partnership with the City Council.
- 2.10 At this stage it is too early to say what the Fig Tree envisions from a partnership. However, from the City Council's perspective any arrangement would need to ensure that financially the Council/ Assembly Rooms improved its current position and that the model was both commercially and financially sustainable. Furthermore, whatever the arrangement it would need to ensure that risks were properly allocated and that the Council's interests were fully protected.
- 2.11 For this reason in order to best protect the Council's interests the starting point for discussions should be that any relationship would be founded around a traditional landlord /tenant arrangement. This would still provide scope to develop a 'partnership' were that considered to be the best way forward, but would ensure that any relationship was built on a sound foundation.
- 2.12 At this stage Cabinet's direction is sought as opposed to any final decision. Even if Cabinet wanted to consider this option further future reports would then be brought forward to Cabinet before any firm commitment is made by

the Council. However, Cabinet would need to accept that even agreeing 'in principle' means that inevitably the existing Assembly Rooms operation will start to wind down.

- 2.13 In short there are some very significant risks to this option.
- 2.14 In terms of the Assembly Rooms itself, the Council has invested significantly in structurally improving the Assembly Rooms. Its external appearance has been massively improved. Internally investment is needed to improve the offering. Further expenditure in the building has been put on hold until there is certainty as to the ongoing use of the building.
- 2.15 Were it possible to agree some form of arrangement with the Fig Tree there may be an opportunity to formally bid for Heritage Lottery Funding with a view to covering the cost of The Fig Tree relocating and improving the interior of the Assembly Rooms.
- 2.16 At this stage Cabinet are asked to consider whether the model outlined above is one that they would wish to be developed in further detail.
- 2.17 If so this would provide a mandate for officers to –
- Work with Fig Tree to develop a business model for the Assembly Rooms.
 - Develop a possible Heritage Lottery Fund Bid.
 - Establish a draft timetable for the transition of the building
 - Work with Fig Tree and existing traders to establish how space could be used going forward to allow artisan traders to operate from the Assembly Rooms.
- 2.18 If Cabinet decide to rule out this option further work would take place to look at other options.

3.0 Details of Consultation

3.1 As outlined in the report

4.0 Options and Options Analysis (including risk assessment)

	Option 1: To agree to develop the business model outlined above in greater detail.	Option 2: To maintain the status quo until a range of options can be brought forward	
Advantages	Consistent with Cairn report and previous decision of Cabinet Provides a sense of direction Provides a mandate to explore other options e.g. HLF bid	Maintains the status quo but allows more time for other options to be brought forward	
Disadvantages	Creates further uncertainty for existing traders and further destabilises the existing	Requires further officer time and resource.	

	<p>Assembly Room operation.</p> <p>The Fig Tree is not well known by Officers or Elected Members so difficult to establish at this stage what a partnership would entail and whether it would actually be advantageous.</p>		
Risks	<p>The Council / Fig Tree may decide in developing the business case that it isn't in their interests so it will come to nothing.</p>	<p>Unmanaged decline</p> <p>No guarantee that any of the other options will be without significant risks</p>	

5.0 Officer Preferred Option (and comments)

- 5.1 The Officer preferred option is option 1. However, it should be made clear that for the reasons outlined in the report there is no certainty that this option could be implemented.

6.0 Conclusion

- 6.1 The report builds on previous reports to Cabinet in this subject and seeks further direction.

RELATIONSHIP TO POLICY FRAMEWORK

Corporate Plan priority- Sustainable Economic Growth

Corporate Plan outcome- The attractiveness and offer of the district, as a place to invest in, will be improved.

Corporate Plan success measure- The development of the Assembly Rooms as an important visitor destination and enhancer of the local economy.

The report seeks to provide an option to be developed that addresses this aspect of the corporate plan.

CONCLUSION OF IMPACT ASSESSMENT

(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing)

As outlined in the report

LEGAL IMPLICATIONS

All current Traders licences are capable of being determined upon 1 months written notice

FINANCIAL IMPLICATIONS

There are no financial implications directly arising from this report.

For information, the latest approved budget includes the following amounts in relation to the Assembly Rooms :-

	2014/15 Original £	2015/16 Estimate £	2016/17 Estimate £
Expenditure – Premises Costs	17,600	18,200	19,000
Income – Rent Income	(20,400)	(20,800)	(21,200)
NET INCOME	(2,800)	(2,600)	(2,200)

* The above figures exclude amounts for capital charges and internal recharges

The preferred option will potentially lead to a change in how the Assembly Rooms are let on a commercial basis, however it is not possible to comment further at this point in time. Therefore any recommendations arising will be reported to Cabinet and budgets updated as appropriate.

OTHER RESOURCE IMPLICATIONS

Human Resources:

None

Information Services:

None

Property:

As set out in the report

Open Spaces:

None

SECTION 151 OFFICER'S COMMENTS

The s151 Officer has been consulted and has no further comments.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments

BACKGROUND PAPERS

None

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