

CABINET

**Storey Creative Industries Centre: Progress Update
12 March 2013**

Report of the Head of Resources

PURPOSE OF REPORT			
To provide Cabinet with an update on the position regarding the Storey Creative Industries Centre (CIC).			
Key Decision	<input type="checkbox"/>	Non-Key Decision	Referral from Officer
Date Included in Forthcoming Key Decision Notice			N/A
This report is public.			

RECOMMENDATION

That Cabinet notes the report.

1 INTRODUCTION

1.1 At its meeting in October Cabinet requested a regular update on the position regarding the Storey. This report briefly outlines progress and matters arising between the January Cabinet meeting up to 26 February; any later events will be reported at the meeting.

2 GENERAL PROGRESS

2.1 Much work has been done on developing the draft business plan for the Storey's future. Officers have visited similar centres, including the Woodend Creative Centre at Scarborough to learn from that operation, as well as consulting with a variety of stakeholders. During April the business plan will be finalised in consultation with the Portfolio Holder, for reporting to the next available Cabinet meeting on 28 May.

2.2 The investment needed to improve the condition of the Storey building was included in the corporate property report to January Cabinet. As reported back then, in broad terms the works required are estimated at a maximum £500K of which £44K is essential works, but this does not allow for bringing the top floor back into use, nor does provide for refurbishing the former caretaker cottage and bringing that back into use. Similarly, the figure does not allow for any re-modelling of existing rooms or space within the Storey to make them more flexible, but this is likely to feature strongly in the draft business plan.

- 2.3 The draft working budget assumptions are attached at **Appendix A**. The aim of the business plan will be for the operation to at least break even, but there is a good way to go before this could be achieved. Repair and maintenance is currently expected to be the highest cost, but there is scope to reduce some assumptions such as building cleaning costs. Rental income received against the budget assumptions remains on track, but clearly there is a need to improve rental streams significantly. The forecast budget will be updated and reported in support of the proposed business plan.
- 2.4 In terms of occupancy, there have been a number of expressions of interest from potential new tenants and these are being actively pursued. Any tenants still on licences (rather than having a lease) will be given the opportunity to extend up until the end of June. This gives time for Cabinet to consider the business plan, and for appropriate market testing or procurement to commence.
- 2.5 The Facing North exhibition in the Gallery is due to finish on 09 March and has been well received; further details may be fed into the Cabinet meeting. A Northern View, featuring paintings by Mark Nelson, runs from 6 - 27 April. Other artists work continues to be shown in the Thomas Storey Room on the ground floor.
- 2.6 Regarding the Storey Gallery company its formal licence to occupy ends on 28 February. It has been agreed, however, that to complete an orderly transfer of the company's archives to Lancashire Records Office, the company can continue to have access to the building for a short time (likely to be a fortnight or so, but not beyond the end of March). The company has also requested a storage facility and suitable alternatives will be offered. In terms of the future, the company expects to know of its funding prospects around the end of May.
- 2.7 Finally, some urgent tree works have been undertaken in the garden, and a group of volunteers will soon start work under the direction of the City Council's grounds maintenance service. A structural survey of the wall between the two main gardens areas is being undertaken, however, and the outcome will determine what and how work can be undertaken to improve the gardens. Nonetheless, it is a good way to involve the community. Future use and development of the gardens will also feature strongly in the proposed business plan.

3 **CONCLUSION**

- 3.1 Realistically, May Cabinet is the earliest that the proposed business plan can be presented for Cabinet's consideration and it is not intended on reporting again prior to then, unless circumstances warrant it. In the meantime, work will continue with the aim of bringing the Storey and its grounds into better condition and use.

RELATIONSHIP TO POLICY FRAMEWORK

The Storey operation will need to support Council's priorities and be sustainable, to fit with the Council's theme of managing the Council's resources to deliver value for money.

CONCLUSION OF IMPACT ASSESSMENT

Not applicable at this stage – this report is for information only.

LEGAL IMPLICATIONS

None arising directly as a result of this report.

FINANCIAL IMPLICATIONS

As referred to in the report. The draft operating budget will continue to be updated and reported through to Members.

OTHER RESOURCE IMPLICATIONS**Human Resources / Information Services / Property / Open Spaces:**

As reflected in the report. As reported previously, one of the biggest concerns to appreciate is the amount of Officer time being spent on the Storey and that this has an adverse impact on other workloads.

SECTION 151 OFFICER'S COMMENTS

The s151 Officer has produced this report, in her capacity as Head of Resources.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments to add.

BACKGROUND PAPERS

None.

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