

## ABERDEEN CITY COUNCIL

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COMMITTEE	<b>Finance and Resources</b>
DATE	<b>28 January 2010</b>
DIRECTOR	<b>Annette Bruton, Education Culture and Sport</b>
TITLE OF REPORT	<b>Peacock Visual Arts fundraising team – Northern Light project</b>
REPORT NUMBER:	<b>ECS/10/01</b>

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### **1. PURPOSE OF REPORT**

To update Elected Members on the work being undertaken by the fundraising team engaged by Peacock Visual Arts as part of the 'Northern Light' development proposed for Union Terrace Gardens and to request financial support for the work of the team in order to sustain activity until the end of May 2010. The requirement for this is due to the extension of the public consultation on City Square, the newly renamed project for Union Terrace and the Denburn Valley, proposed by Sir Ian Wood.

### **2. RECOMMENDATION(S)**

- (a) That Committee notes the progress of the fundraising team in the realms of public and stakeholder engagement as detailed in the body of the report
- (b) That Committee agree to continue to financially support the work of the fundraising team in order to sustain and develop the PVA 'Northern Light' work to date, pending the outcome of the City Square public consultation which was launched on 11<sup>th</sup> January 2010. The cost of this is £3,040 per month. The funding continuation will be to end of May 2010.

### **3. FINANCIAL IMPLICATIONS**

Current funding secured for the 'Northern Light' contemporary arts centre development consists of £2 m from Scottish Enterprise, £4.3 m from the Scottish Arts Council, and £3 m from Aberdeen City Council. This leaves a shortfall of £4.2 million on current project costs for the development. The Scottish Arts Council has agreed to extend the period of their grant offer in order to assess the outcome of the ACSEF public consultation on the City Square project proposed by Sir Ian Wood.

Full Council in December 2008 agreed that up to £166,642 in capital funding could be used for advanced design stage and procurement fees for the Northern Light project. Additionally, at Policy and Strategy committee on 9<sup>th</sup> June it was agreed to draw down a further £1520.00 per month for campaign team costs,

representing a third of the actual costs of £4,558.00, a third each to be paid by Scottish Enterprise, Scottish Arts Council and Aberdeen City Council.

The campaign staff team wages costs total £3,724 per month, with £834 spent on professional memberships, Patronmail, an e-mail system for fundraising communications, paid access to fundraising sites, stationery, design and communications, training, promotional events and travel.

ACC, in a budget managed by the Culture and Sport strategy team, now holds responsibility for the disbursement of the Scottish Enterprise monies, and therefore requires to contribute two thirds of the cost, with SAC agreement in place to contribute the balance.

It is recognised that State Aid implications may be relevant in specific circumstances which are not yet clear, and are dependent on the final proposal and delivery model, which has not been agreed at this stage. Consequently, the Scottish Government's State Aid unit will continue to be consulted as any arrangements for Aberdeen City Council's involvement in the project delivery are finalised to ensure that Article 87(1) of European treaty (which contains a general prohibition on State aid) is not contravened at any point.

#### **4. SERVICE & COMMUNITY IMPACT**

This report links to Outcome 13 in the Single Outcome Agreement – 'we take pride in a strong, fair and inclusive national identity'. The report also relates to the delivery of the draft Cultural strategy 'Vibrant Aberdeen', in particular strategic objectives 'Increase investment in the arts, culture and heritage' and 'attract and retain creative and cultural professionals across the sector'. Additionally, it relates to all the key aims set out in the Arts, Heritage and Sport strand of the Community Plan.

- Culture will become part of everyday life for citizens of all ages and visitors to our City
- To support cultural activities which have a positive impact on the social, economic and cultural development of our City
- To foster a strong, diverse and independent creative community
- To develop productive and sustainable partnerships within and beyond the Cultural sector

The 'Northern Light' project delivers on the cultural objectives set out in 'Vibrant, Dynamic and Forward Looking':

- Support arts venues to bring the best and most innovative performances to the City
- Recognise the contribution of Sport, Culture and the Arts to promoting the area as a tourist destination
- Recognise the role of sport and arts in tackling anti social behaviour

#### **5. OTHER IMPLICATIONS**

Not continuing the draw down of capital allocation will most likely result in the redundancy of the fundraising team. There are no other legal, resource, property equipment, environmental, health and safety and/or policy implications.

The 'Northern Light' project is also proposed to be the new home for the City's Arts development teams, and citymoves. Should this project not continue to be supported by the Council urgent consideration will have to be given to accommodation for the staff teams and services delivered by ACC, due to the closure of Summerhill and the proposed sale of the WhiteSpace building in Frederick Street.

## **6. REPORT**

### **6.1 Background**

Full Council in December 2008 approved the release of £166,642 of the capped £3 m capital funding commitment from the Council to PVA Ltd for the Northern Light contemporary arts centre project at Union Terrace gardens. This limited draw down, matched by similar commitments from PVA's co-funders of Scottish Enterprise and the Scottish Arts Council, has enabled PVA to continue with the advanced stage of the project, pending the outcome of the public consultation on Sir Ian Wood's proposals. The Scottish Arts Council has agreed to sustain their original offer of £4.3 million, again pending the outcome of the public consultation. Since the launch of the public consultation on the City square, the independent campaign group 'IheartUTG' have been lobbying to save the gardens. This organisation is totally independent of PVA with their own fundraising activity and agenda which has been given considerable public profile of late.

### **6.2 Main considerations**

The PVA campaign team has worked for two and a half years to raise political, media, cultural, corporate and individual support. PVA require minimum campaign team activity sustained to maintain this momentum, having halved the team in the past year. The campaign activity proposal attached to the June 9<sup>th</sup> 2009 Policy and Strategy has resulted in the following developments:

#### **Fundraising**

- Stage one application to Scottish Investment Fund for £1 million capital grant successful – stage two pending clarity on the scheme
- Further research and relationship building with trusts and foundations- applications pending further clarity on scheme

#### **Media Coverage**

- Significant coverage across all media genres, including BBC Radio Scotland, STV, Scotland on Sunday, Sunday Herald, BBC Scotland (TV), Press and Journal, Northsound, Evening Express, the Herald and the Scotsman
- Ongoing liaison with local and national journalists and media to ensure ongoing positive coverage

#### **Stakeholder and Prospect Engagement**

- 35 Years of Peacock exhibition secured 35 high profile stakeholders including artists, politicians, corporates and media to become champions of Peacock for the exhibition
- Production and dissemination of Peacock brochure celebrating achievements and providing information on new build. Disseminated to over 500 stakeholders – corporate sponsorship for the brochure
- Regular briefings and updates with local, Scottish and UK politicians, Scottish Council for Development and Industry, Aberdeen and Grampian

Chamber of Commerce, Grampian PR Group, Burgesses of Guild, Arts and Business Scotland

### **Public engagement**

- Regular communication with over 3,000 supporters, including arts and higher education organisations

### **BDS Sponsorship – commercial opportunities**

- Application leading to short listing for TREND magazine outstanding contribution to North East lifestyle award
- Presentation to the RSA, Edinburgh
- Presentation to the Royal Academy, London
- Secured and organised visit from Scottish Culture minister
- Presentation to Burgesses of Guild, Aberdeen City Council
- 50 individual meetings with members of the corporate community
- 60 networking, cultural or industry events to develop prospect, donor and stakeholder engagement and research
- Communication with prospect pool of over 200 individual prospects giving details of progress
- Organisation and marketing of prospect engagement events including one in June attended by 200 stakeholders
- Implementation of new prospects and contacts database

## **6.3 Conclusion**

There has been significant expenditure to date in supporting the work of the fundraising team. Valuable work has been done to maintain the profile of the 'Northern Light' contemporary arts centre development in a period of considerable uncertainty for Peacock Visual Arts. A decision not to continue the funding for the team until the results of the City Square public consultation are known will significantly impact on the future of the Organisation, and as a consequence, on the cultural life of the City. In addition, Council services will require to be found new accommodation in the near future.

## **7. REPORT AUTHOR DETAILS**

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## **8. BACKGROUND PAPERS**

'Union Terrace Gardens and Denburn Valley Feasibility study and next steps'  
Policy and Strategy Committee 9<sup>th</sup> June 2009