

Report of the Strategic Director, Place to the meeting of the Executive to be held on December 5 2023

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Subject: Delivery Agreement with Bradford Culture Company Ltd.

Summary statement:

Full Council of July 13 2021 formally agreed to commit £10million towards delivery of UK City of Culture 2025, subject to the bid for UK City of Culture Status being successful. The Department of Culture, Media, and Sport (DCMS) confirmed the bids success during May 2022.

The purpose of this report is to seek delegated approval to enable the Strategic Director, Place, in consultation with the Portfolio Holder for Healthy People and Places, the Director of Finance and the Director of Legal and Governance, to agree the terms of the overarching Delivery Agreement and funding agreements with Bradford Culture Company Ltd including agreements with DCMS, in relation to preparations and events that will take place as part of the Districts designation as UK City of Culture 2025.

EQUALITY & DIVERSITY:

The delivery of events as part of UK City of Culture 2025 will be accessible to all within the communities of Bradford District and to visitors, regardless of circumstances and special characteristics.

David Shepherd
Strategic Director, Place

Portfolio: Healthy People and Places

Report Contact: Alan Lunt – Programme
Director, City of Culture
Phone: (01274) 434748
E-mail: alan.lunt@bradford.gov.uk

Overview & Scrutiny Area:

Regeneration & Environment

1. SUMMARY

- 1.1 The report recommends that the Executive agree to delegate to the Strategic Director, Place, in consultation with the Portfolio Holder for Healthy People and Places, the Director of Finance and the Director of Legal and Governance, responsibility for agreeing the detailed terms of the overarching Delivery Agreement to be entered into with Bradford Culture Company Ltd (the Company) and with the Department for Culture, Media and Sport (DCMS).

2. BACKGROUND

- 2.1 Bradford Culture Company Ltd (the Company) was incorporated during November 2019, with the objective of promoting arts, culture, heritage, and creativity in Bradford District. The Company, working in partnership with the council, submitted a formal bid to become the UK City of Culture for 2025 during January 2022. During May 2022, it was announced that the bid had been successful.
- 2.2 The bid document committed the council and the Company to delivering a number of key outcomes and objectives. For example, Full Council of July 13 2021 formally agreed to commit £10million towards UK City of Culture delivery, subject to the success of the bid. Similarly, the Company were obliged to deliver against a range of outcomes in order to ensure that the designation as UK City of Culture 2025 could be successfully delivered.
- 2.3 The council established a 'District Readiness' structure during early 2023, with the purpose of ensuring that the District was fully prepared for the arrival of 2025 in terms of appearance, cleanliness, and structures to manage the increased footfall and visitor numbers that the year of culture will bring. The council collaborates very closely with the Executive Director, Creative Director, and management team of the Company in order to co-ordinate activity, avoid duplication and ensure that there is effective governance and delivery structures in place to assure the successful delivery of UK City of Culture 2025.
- 2.4 The intention is to now formalise the relationship between the parties by incorporating all obligations and expectations of both the council and the Company, as the key delivery agent for UK City of Culture 2025, into an overarching Delivery Agreement. This will ensure robust governance arrangements are in place and will act to mitigate the risk of unforeseen financial or operational events. It will also ensure responsibilities are clear and ensure delivery of key objectives by both the council and the Company. This reflects the models utilised in previous Cities of Culture and the Department for Culture Media and Sport (DCMS), who are the sponsors of UK City of Culture (and also key funders of 2025), expect the council and the Company to enter into such agreements to safeguard the significant public resources to be used to deliver the year of culture programme. A similar agreement will be required between the council and DCMS.
- 2.5 Key Issues to be covered in the Delivery Agreements will include (but will not be limited to).
- Flow through of relevant agreement terms with DCMS
 - The role of the council as financial guarantor

- The financial commitment of the council
- The obligations on BCCL to deliver key deliverables as part of UK City of Culture 2025
- Detail of the legal and operational / delivery relationship between the council and BCCL
- The obligations of both the council and BCCL in the role of accountable body for the significant additional resources that will be committed to the programme.

2.6 The Agreement with the Company will also include as appendices, funding agreements in relation to the use of the council's committed financial contribution towards City of Culture delivery. This will include separate agreements setting out the terms of the provision of both capital and revenue resources, the phasing of the draw-down of the allocations and also the outputs and outcomes that will be required to be delivered as a condition of provision of the funding.

2.7 The intention is to agree and monitor the use of the committed resource towards delivery of the key 'step change' priorities for UK City of Culture 2025, which are as set out in the successful bid and replicated below.

<p>Our first priority is to create and promote opportunities for cultural participation, especially for young people, in a way that is targeted, motivating, meaningful, accessible, and engaging for all, and to use the year to reduce barriers to engagement. Bradford 2025's legacy of a redefined cultural offer will impact for years to come, bringing together residents from every part of the district and all walks of life, as well as attracting visitors to the district, and is a key driver for social, health and economic impacts.</p>
<p>Our second priority, driven by increased cultural consumption through BD25, is creating the opportunity for the local creative sector to grow, become more representative of the local population, and build its confidence and capabilities. This is a key driver of sustainable growth and production of cultural excellence with economic and cultural impact, supporting post-Covid regional recovery</p>
<p>Our third priority is the repositioning and reprofiling of Bradford as a place. Within the district this will have social impact in relation to happiness, community cohesion, civic pride, and confidence. Outside the district it will lead to a sustained growth in visitors and an increase in inward investment and confidence leading to long term regeneration benefits</p>

3. OTHER CONSIDERATIONS

3.1 The council has commissioned external legal advisors to ensure that the proposed agreements are comprehensive and robust.

4. FINANCIAL & RESOURCE APPRAISAL

4.1 Full Council of July 13 2021 agreed to commit £10m towards UK City of Culture delivery, including £7m (revenue) and £3m (capital). This is set in the context of a further £30million of funding being secured from other agencies and sponsors for delivery, an expected increase in visitor numbers of 3.3million during 2025, contributing £140m directly to the Districts economy, the creation of 2500 new permanent jobs and over 11,500 training opportunities for local residents.

5. RISK MANAGEMENT AND GOVERNANCE ISSUES

- 5.1 The key risks associated with UK City of Culture status will be incorporated within the council's risk register. The agreement between the council and BCCL will seek to mitigate the key financial, organisational, and operational risks associated with UK City of Culture 2025.
- 5.2 The funding agreements with BCCL will be monitored to ensure effective delivery against the objectives and value for money.

6. LEGAL APPRAISAL

- 6.1 The council has appointed external lawyers to advise on the proposed agreements for the delivery of UK City of Culture 2025 including agreements with BCCL covering funding as well as governance, procurement, and subsidy control issues.
- 6.2 The council will be required to enter into a memorandum of understanding (MOU) and branding licence with DCMS. It should be noted that DCMS is currently reviewing the terms of the MoU and the branding licence, and the council has not yet been provided with the revised documents.

7. OTHER IMPLICATIONS

7.1 SUSTAINABILITY IMPLICATIONS

Environmental sustainability will be firmly embedded within all aspects of UK City of Culture delivery. Key objectives will include.

- Effective decarbonisation of cultural production
- Minimum resource drawdown.
- maximum recycling and reuse.
- A focus on environmental guardianship at every stage of cultural production and consumption.
- The creation of inspirational projects that foster positive learning and attitudinal change for individuals, institutions, and communities.

7.2 TACKLING THE CLIMATE EMERGENCY IMPLICATIONS

In addition to the above, the climate emergency will feature as a key element of the city of culture programme, including for example, on Earth Day in April 2025, a key event will bring together communities, earth artists and scientists to design a programme responding to climate change, creating a movement of mass participation against our stunning green landscapes.

7.3 COMMUNITY SAFETY IMPLICATIONS

None as a direct result of this report

7.4 HUMAN RIGHTS ACT

No implications as a direct result of this report

7.5 TRADE UNION

N/A.

7.6 WARD IMPLICATIONS

The impact of UK City of Culture will be experienced District wide.

7.7 AREA COMMITTEE LOCALITY PLAN IMPLICATIONS

N/A.

7.8 IMPLICATIONS FOR CHILDREN AND YOUNG PEOPLE

A key element of the UK City of Culture Programme will involve engagement and involvement of children and young people from all communities across the District.

7.9 ISSUES ARISING FROM PRIVACY IMPACT ASSESMENT

None as a result of this report

8. NOT FOR PUBLICATION DOCUMENTS

N/A

9. OPTIONS

In order to ensure effective governance and satisfy the requirements of sponsoring department, DCMS, there is no alternative to entering into the required agreements with DCMS and to put in place an overarching Delivery Agreement and associated funding agreements with BCCL covering the funding, roles, responsibilities, and obligations of the parties to the agreements.

If the council were to consider a 'do nothing' option and not enter into such agreements, it is likely that DCMS and other potential funding agencies such as Heritage Lottery Fund and Arts Council would consider the risk of grant funding not being used effectively too great and would potentially withdraw their support, seriously undermining the ability to deliver the benefits expected from UK City of Culture status. This would result in a failure to deliver the expected benefits of the year of culture, including an expected increase in visitor numbers of 3.3million during 2025, contributing £140m directly to the Districts economy, the creation of 2500 new permanent jobs and over 11,500 training opportunities for local residents. Failure to deliver the year of culture effectively would also result in significant reputational damage compared to the significant reputational benefit that the year is set to bring, which will impact on future investment and economic growth within the District.

The form of agreements with BCCL will be the subject of a rigorous options appraisal process in order to ensure that the final documents provide clarity of the roles of both parties and ensures effective delivery of City of Culture 2025 in the most efficient and effective way possible.

10. RECOMMENDATIONS

That the Executive

(1) Agree:

- the key issues to be covered within the agreements between the council and Bradford Culture Company Ltd and the Department for Culture, Media and Sports as set out within the report.
- the key priorities to form the basis of the funding agreements between the council and Bradford Culture Company Ltd and the Department for Culture, Media and Sports as set out within the report.

(2) Delegate authority to the Strategic Director, Place, in consultation with the Portfolio Holder for Healthy People and Places, the Director of Finance and the Director of Legal and Governance, to agree the detail terms to be incorporated within the overarching Delivery Agreement with Bradford Culture Company Ltd and associated funding agreements and to enter into those agreements on behalf of the council.

(3) Delegate authority to the Strategic Director, Place, in consultation with the Portfolio Holder for Healthy People and Places, the Director of Finance and the Director of Legal and Governance, to agree the terms of the agreements required with the Department of Culture Media and Sport and to enter into those agreements on behalf of the council.

11. APPENDICES

None

12. BACKGROUND DOCUMENTS

12.1 Minutes of Full Council – July 13 2021, 'Proposed additions to the Revenue / Capital budget'