

## **CABINET MEMBER FOR CULTURE & CITY DEVELOPMENT**

RECORD OF DECISIONS of the meeting of the Cabinet Member for Culture & City Development held on Friday, 20 March 2020 at 10.00 am at the Guildhall, Portsmouth

### **Present**

Councillor Steve Pitt (in the Chair)

Councillors    Stephen Morgan  
                      Claire Udy

### **Apologies for Absence**

Linda Symes

#### **14. Apologies for absence**

Apologies for absence were received from Councillor Linda Symes, who had advised that due to the current COVID-19 pandemic and her husband being in an at risk category, she was currently not attending any meetings.

#### **15. Declarations of interests**

There were no declarations of interest.

#### **16. Directorate Business Plan**

The report was introduced by Councillor Pitt.

##### **DECISIONS: The Cabinet Member**

**(1) Approved the key priorities and targets set in the business plan.**

**(2) Approved the business plan for 2020-2023 after which we will provide a newly formatted plan reflecting the focus of emerging priorities at the next appropriate meeting.**

#### **17. Progress on the Landing Craft Tank Project**

The report was introduced by Claire Looney, Partnership & Commissioning Manager.

##### **DECISIONS:**

**(1) The Cabinet Member formally confirmed the council's match funding for the project that is £84,000 and approved the addition of £12,000.**

**That the Cabinet Member in addition noted:**

**(2) The achievements of the project thus far.**

**(3) Outstanding risks to the project with regard to the programme and cost.**

**(4) Funding and other contributions made by the council in support of the project.**

**(5) The future role of the council and its partner the National Museum of the Royal Navy in the operation.**

**18. Hotwalls Studios Lease and Rental Model**

The report was introduced by Chrissie McQueen, Hotwalls Studio Development Manager.

Councillor Pitt advised Councillor Symes has sent in her comments on this report which he read out as follows and noted:

'The only objection I had was to the extension of the leases at the Hotwalls Studios. Developing or starting up a business should not take six years and some businesses occupying those spaces are very successful. This goes against the original principals of this project. It also stops the large numbers of people waiting for an opportunity to occupy a studio'.

Chrissie explained that the landscape of the waiting list had changed and a lot of the businesses were more developed. They would never stop people coming in through the Hotwalls studios and supported in the region of 20 businesses to date.

Councillor Udy said she felt it was important to also look into other sites around Commercial Road for businesses starting out. Councillor Pitt advised that they are looking at options around move on spaces.

Councillor Pitt was content that officers had considered the issues raised by Councillor Symes and for the reasons identified this was the best way to proceed.

**DECISIONS: The Cabinet Member:**

**(1) Approved the new maximum period of 6 years tenancy and this tenancy consist of two 3 year leases.**

**(2) Agreed existing tenants also have a maximum term of 6 years.**

**(3) Agreed that the revised rental model is applied from April 2021 and for all current tenants renewing in that year.**

**(4) Approved that the new notice period in the lease to increase by one month to 3 months' notice period, for both parties.**

**(5) Agreed to continue the current two tier rental model based on square footage.**

**19. Great South Run**

The report was introduced by Claire Looney, Partnership & Commissioning Manager.

**DECISION:**

**Officers were authorised to enter into negotiations with Nova International to continue to hold the Great South Run in Portsmouth with a new contract in order to retain this iconic event in the city.**

## **20. Victorious Festival Update Report**

The report was introduced by Claire Looney, Partnership & Commissioning Manager.

### **DECISION:**

**1) The Cabinet Member acknowledged the economic benefit and added value that Victorious Festival brings to Portsmouth.**

**(2) Agreed to extend the contract which Victorious Festival are due to commence with the council on 1<sup>st</sup> January 2021 by a further 3 years to a total of 10 years so it is in line with the contract duration of other large-scale events.**

## **21. Charter Community Sports Centre (Information item)**

The report was introduced by Mark Woolnough, Built Environment & Recreation Manager. The Cabinet Member thanked Mark for all the work he is doing.

The Cabinet Member for Culture & City Development noted the report (for information only so is not subject to call-in).

## **22. Exclusion of Press and Public**

The Cabinet Member decided not to pass the exempt resolution and considered this report in open session.

## **23. Groundlings Theatre report**

The report was introduced by Peter Baulf, City Solicitor. He apologised to members for the delay in getting the report finalised as this had needed input from a number of officers including the Chief Finance Officer.

Councillor Pitt advised that Councillor Symes had submitted the following comment which he read out. He said as the papers came out late he was not clear if she had been cited on this report before it came out so wished to caveat it with that.

'I have reservation re the loan to the Groundlings Theatre as there seems to be a disproportionate support for this type of venue, with the £1.7 million gift to the Guildhall and the £3.5 million loan to the Kings Theatre. We must also consider the fact that if any of these ventures fail, the taxpayer will be liable for the debt'.

In response to these comments, Councillor Pitt explained that the £1.7 million 'gift' is not a gift but the capitalisation of allocated annual revenue funding to the Guildhall for repairs, maintenance and renewals and was entirely in line with the council's policy of maintaining and improving the building. The £3.5 million to the Kings Theatre referred to by Cllr Symes was not the amount of the actual proposed loan. This was already set out in the budget to be a

maximum of £3 million and was not set at that level yet as the details were to be finalised with the Section 151 Officer.

Councillor Pitt added that the debt is secured against the building so if the organisation did cease to operate and the building be sold the Council would recover its investment. The City Solicitor confirmed that this was correct and said the idea is to protect the council's money proportionate to the value of the asset.

Councillor Morgan said that this was a welcome arrangement and felt was long overdue. He said a number of cultural institutions were struggling due to the current situation with the pandemic and said he would welcome a paper when appropriate to understand the implications and understand how the authority were supporting the industry.

Councillor Pitt said he had spoken to the Section 151 Officer and secured an agreement that revenue grants will be released in full to organisations at the start of the financial year and those organisations were being spoken to currently. Councillor Pitt said he would ensure that members would be made aware of the proposals.

#### **DECISIONS:**

**(1) That a grant of £15,000 be given to the Groundlings Theatre Trust (CIO) and a Loan Facility Agreement of approximately £36,000 (including £6,230 previously provided) be given to Mr Richard Hurdle (Stride) which will be subject to:**

**i) entering into a detailed Grant Agreement (incorporating a Service Level Agreement) with associated performance criteria;**

**ii) a "clawback" arrangement being in force for 36 months which stipulates that should the CIO not meet the performance requirements of the Grant Agreement , then the grant is repayable;**

**iii) a separate Loan Facility Agreement being entered into with Mr Richard Hurdle (Stride) (subject to interest) for the sum equal to the outstanding sum required to discharge the existing loan secured on the Groundlings Theatre property. The sum advanced is to be used to discharge the existing loan secured on the property. Depending upon the most appropriate basis of advancement of the loan facility it could be either payable to Mr Richard Hurdle (Stride) direct or via Portsmouth City Council direct to the current mortgage holder on behalf of Mr Richard Hurdle (Stride) the proviso being that the current legal owner of the premises Mr Richard Hurdle (Stride) has agreed and provided in escrow an appropriate legal charge securing both the loan facility and grant agreement in advance.**

**iv) that the emergency financial assistance previously provided in the sum of £6,230 is included within the Loan Facility Agreement described in recommendation iii) above;**

**v) a first legal charge on the property is obtained in favour of the Council for the sums due under the Grant Agreement and the Loan Facility**

**Agreement set out in recommendation iii) and iv) above for the sum advanced to the CIO and Mr Hurdle (Stride).**

**(2) Delegated authority was given to the City Solicitor in consultation with the S.151 Officer to conclude the terms of the Loan Facility Agreement and to complete all other necessary legal documentation to put these recommendations into effect.**

**(3) It was noted that the grant award is subject to the approval of funding and criteria agreed by the S151 Officer as set out in the Council's constitution (Financial Rules).**

The meeting concluded at 10.15 am.

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Councillor Steve Pitt  
Chair