
THE BRIDGE CENTRE FOR VISUAL ARTS

**Responsible Cabinet Member -
Councillor Andy Scott, Health and Partnerships Portfolio
Councillor Nick Wallis,
Leisure and Local Environment Portfolio
Councillor Veronica Copeland,
Adult Social Care and Housing Portfolio**

**Responsible Director - Ada Burns, Chief Executive
Chief Officers Executive**

SUMMARY REPORT

Purpose of the Report

1. To consider a business case produced by the recently formed Visual Arts Organisation who wish to take over the running of the Centre.

Summary

2. The Bridge Visual Arts Organisation have submitted a business case to run the Centre without Council subsidy. The business case has merit and potential, but at this stage all detail and negotiations around the property are not concluded.
3. The budget saving relating directly to the running of the building is £10,100 per year.
4. To enable negotiations and the business case to be further developed it is recommended that the budget reduction be deferred from October 2016 to March 2017. The additional cost of the extension can be funded by a surplus carried forward from previous years.

Recommendation

5. Council are recommended to :-
 - (a) Defer the implementation of budget proposal W9 in relation to funding of The Bridge until 31 March 2017.
 - (b) To enable all property options to be explored agree in principle to the leasing of the building to the organisation at a peppercorn rent or similar arrangement.

- (c) Cabinet received a report on the outcome of negotiations with the Visual Arts organisation in January/February 2017.

Reasons

6. (a) To allow time for the business case to be developed
 (b) To establish outline terms in relation to property negotiations
 (c) To consider the final business case

**Ada Burns
 Chief Executive**

Paul Wildsmith
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Background Papers

No background papers were used in the preparation of this report

S17 Crime and Disorder	The are no matters in the report
Health and Well Being	Should the Bridge continue there will be positive impacts of retaining support to vulnerable groups.
Carbon Impact	No matters
Diversity	No matters
Wards Affected	Users can come from all wards
Groups Affected	Users of the service
Budget and Policy Framework	This is a decision for full Council as part of the MTFP
Key Decision	The MTFP will be decided by full Council
Urgent Decision	The MTFP will be decided by full Council
One Darlington: Perfectly Placed	Should the proposal be delivered it will contribute to both aspects of ODPP.
Efficiency	Should the proposal be delivered at nil cost to the Council this will represent an efficiency

MAIN REPORT

Background

7. The Bridge Visual Arts Centre was established on the closure of the Arts Centre. Supported by the Creative Darlington Manager and with extensive volunteer input it currently has 3 main elements:
 - (a) Housing the Community Arts Project operated and funded by Adult Social Care.
 - (b) Open Arts on prescription funded from the Public Health Grant for people with mental health needs.
 - (c) Space used by various groups and artists and the production of various visual arts programmes funded by rental for space and charging for the programmes.
8. The Council supports the organisation to the tune of £10,100 per year to fund core building costs and supplies and services. The funding of (a) and (b) contribute to the fixed costs of the Centre.
9. The MTFP proposes that (b) and the £10,100 cease to be funded. A review will take place of the location of (a) dependent on the outcome of wider reviews of the service and the development of a model for The Bridge.

Proposal from Visual Arts Organisation

10. In recent months Officers have been in dialogue with the management group and volunteers working within the Bridge to explore options to avoid the closure of this well used and valuable cultural asset. Attached at **Appendix A** is a business case which has been submitted. It is the Officers view that through further negotiations and discussions it may be possible to develop the business case to deliver a sustainable zero subsidy model but more time is required. It is recommended that funding remain in place until 31 March 2017 and this can be achieved by using a brought forward surplus from previous years, (the MTFP already includes £5,000 for the first half year). Given the fact that the savings are low such an extension would not significantly impact on the overall MTFP but would offer an important opportunity to conclude work on a potential community-led model.

Property Negotiations

11. As Members will see from the business case there is a significant element relating to building issues and the need to achieve a commercial rent for the purchase of the building. It is the Officers view that such an approach to the property element would not deliver a sustainable business.
12. Currently the Council does not receive any rent for the asset; it is therefore financially feasible to allow the lease of the building on a peppercorn rent to enable the organisation to develop a sustainable business case. An alternative used by many other Councils in this situation is a Community Asset Transfer but a long-term lease would achieve a similar outcome for the organisation e.g. security of tenure of the building to allow them to bid for funds to improve the asset whilst also allowing

the Council to retain the freehold of the building which has a sale value of approximately £140,000.

13. Any lease arrangements would be subject to negotiation and approval by Cabinet, however, it is envisaged that the lease would pass all maintenance responsibilities to the lessee.

Timescales and Process

14. Subject to agreement by Council it is recommended that negotiations and the development of the business case continue and are completed no later than December 2016 to allow a report to be presented to Cabinet in January/February 2017 when a final decision can be taken.