



# COMMUNITY OVERVIEW AND SCRUTINY COMMITTEE

## *Committee Report*

**Public**

**Date of Meeting:** 19th JULY 2007

**Title:** THEATRE/ARTS CENTRE FEASIBILITY STUDY STAGE 2

**Report of:** DIRECTOR OF COMMUNITY SERVICES

**Report reference:** CS 30 07

### **Summary:**

The report provides as an appendix the Executive Report on the Theatre/Arts Centre Feasibility Study Stage 2. That report was written at the conclusion of Stage 2 and presented the findings of our consultants DCA Ltd.

### **Questions for / input required from Scrutiny:**

### **Recommendations:**

Members consider the report and provide a response to the Executive on the proposals being made.

**Contact Officer:** MARK BEVERIDGE

**Ext:** 7350

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None

## 1. INTRODUCTION

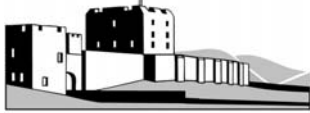
- 1.1 The Theatre/Arts Centre Feasibility Study Stage 2 provides a comprehensive assessment of the site options available in the City. Together with a detailed business plan of capital and revenue costs which would be incurred for such a facility.

## 2. THE STUDY

- 2.1 Stage 2 picked up the work carried out in Stage 1, which had concluded that Carlisle as a City could support a Theatre/Arts Centre.
- 2.2 The consultants DCA Ltd carried out their work and reported back prior to the recent Lonsdale listing announcement.
- 2.3 The brief for the consultants was to develop the site option appraisal after considering the requirements of consultees.
- 2.3.1 DCA concluded a new build option at a Rickergate site would offer the most benefits in terms of fulfilling the identified requirements and maximising revenue potential. This has been estimated at over £21m at current prices, which the Executive have acknowledged is above the resources of the City Council to provide.

## 3. CONCLUSION

- 3.1 The Theatre/Arts Centre Study has, to date, provided invaluable information in relation to the project. There are still a number of options available which can be considered in terms of actual provision. However all are dependent upon agreement on a site location.



# REPORT TO EXECUTIVE

## PORTFOLIO AREA: COMMUNITY ENGAGEMENT

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Date of Meeting: 11TH JUNE 2007

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Public

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Key Decision: Yes

Recorded in Forward Plan:

Yes

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Inside Policy Framework

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Title: THEATRE/ARTS CENTRE FEASIBILITY STUDY STAGE 2

Report of: DIRECTOR OF COMMUNITY SERVICES

Report reference: CS 30/07

### Summary:

This report provides a summary of the findings following extensive work by the consultants appointed to carry out the second stage of the feasibility study. This study builds upon the first stage and considers site options and building configuration, it includes budget estimates for the scheme and develops an outline business plan.

### Recommendations:

The Executive is recommended to:

1. Consider the recommendations of the consultants.
2. Forward to Community Overview and Scrutiny for comment, (date TBA, but likely to be a special in mid June).

Contact Officer: MARK BEVERIDGE

Ext: 7350

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None

## **1. BACKGROUND INFORMATION AND OPTIONS**

### **1.1 INTRODUCTION**

#### **1.1.1** Members have previously received copies of the stage 1 feasibility study into a theatre/arts centre for Carlisle. (CS 65/06)

That study funded jointly by the City Council and Arts Council England (ACE) – Northwest was carried out by Roger Lancaster Associates. In that report, the conclusion was that Carlisle had an unmet demand for a theatre/arts centre.

#### **1.1.2** Following an Executive and Council decision, that study was followed by progress to stage 2, this was tendered and DCA Ltd were appointed to carry out the work. The executive summary of their report is appended to this report for information. Copies of the full Consultant's report have been placed in the Group offices, on the Councils web site and a copy of the executive summary has been sent to all consultees.

#### **1.1.3** The brief agreed for stage two of the study was for the consultants to determine the suitability of the options to meet the needs of customers and the demands identified in stage one. This is essential because it determines the business case and site viability and was the route agreed by members at the conclusion of stage one. This no compromise approach has as members will see produced a proposal that has a high aspiration, together with a capital sum which exceeds the Council's financial ability to facilitate.

### **1.2 THE STUDY**

#### **1.2.1** The site option analysis considers six potential sites, of which only one is within the Council's ownership. Of the two existing buildings, Lonsdale and Methodist Church, only the latter was accessible despite attempts to get approval from the owners of the Lonsdale, access was denied.

#### **1.2.2** The cost of accepting the consultants recommendations of a new build on the Rickergate site they propose would be in excess of £21m at today's prices, plus approximately £350,000 a year operational subsidy. Such a capital investment is above that which the City Council alone could aspire to alone and significant external funding would be required to turn the proposals into reality.

#### **1.2.3** The report does not consider scaling down the proposals because the scope of the brief was to consider a building which would meet the aspirations of those groups and individuals consulted.

## **2. CONCLUSION**

- 2.1** The commissioning of a new cultural facility has been used as the cornerstone of many regeneration projects, both in the UK and abroad e.g., The Sage at Gateshead, Guggenheim in Bilbao. The recommendations from DCA Ltd could if followed, achieve something like that for Carlisle. Culture led regeneration is an accepted route for many urban landscapes in the UK and these have been the catalyst for many schemes which have then broadened their offer, the Government and CABE have produced evidence in support of this route. Carlisle Renaissance would be the obvious and most suitable way of ensuring this project is at the heart of the regeneration of Carlisle. However, it is not without a considerable capital and revenue investment. Clearly the Council is not in a position to make such an investment. The consultant's recommendations in their report are based on their consultation and assessment of what is required to fulfil that unmet demand identified in Stage 1 and Stage 2 of the studies carried out.
- 2.2** ACE have been committed through their funding of the study so far, to help Carlisle achieve its ambition of a new theatre/arts centre, what that might translate to in terms of funding has not been tested. However, it is known that their ability to provide large capital funds now is curtailed.

## **3. CONSULTATION**

- 3.1** Consultation to Date.  
As set out in the consultants reports plus Executive, PFH, Community O&S, SMT
- 3.2** Consultation proposed.  
Consultees to-date, Community O&S, Executive, PFH

## **4 RECOMMENDATIONS**

The Executive is recommended to:

1. Consider the recommendations of the consultants.
2. Forward to Community Overview and Scrutiny for comment, (date TBA but likely to be a special in mid June).

## **5 REASONS FOR RECOMMENDATIONS**

To enable a full consultation to be concluded on the feasibility Stage 2.

## 6 IMPLICATIONS

- Staffing/Resources – Nil at this time, unless members wish to progress an option to the next stage of the study which will require budgetary provision
- Financial – This project cannot progress to delivery without significant external funding. The Council's capital reserves are insufficient on their own to meet the £21m capital costs for the construction of the building and the Council's revenue budget cannot meet an annual contribution of £350k per annum without prejudicing other existing service areas. The alternative options 2 to 4 stated in the report should be considered and progressed as part of the Council's budget process, involving a full appraisal of an appropriately detailed business case and risk assessment for the project.

The organisation of Local Government is currently under review as part of the Local Government and Public Involvement in Health Bill consideration. The County Council proposal for a unitary Council covering the whole of Cumbria is being consulted on and the outcome is not anticipated until late July. If the proposals are accepted the impact on Carlisle City Council is significant. Part of the Bill contains a set of guidelines, which will effectively limit what the Council can do from a designated date (still to be agreed), should Cumbria County Council's unitary proposal be successful. The guidelines:-

- Restrict the ability of the Council to enter into, or extend existing, contracts for goods and services, if their individual value exceeds £100,000 (provision applies retrospectively from December 2006),
- Restrict the sale of land and property with a value of more than £100,000 (applies retrospectively from December 2006),
- Restrict the Council entering into capital contracts with a value of over £1 million (applies retrospectively from December 2006)
- Restrict the level of reserves used to support the Council's budget requirement

If the Council wishes, at some future time, to enter into an agreement that exceeds any or all of these limits, then it may have to first obtain the approval of the Secretary of State for Communities and Local Government

- Legal – The Council has power under Section 120 of the Local Government Act 1972 to acquire land and under the Local Government Act 2000 to take whatever steps it believes is likely to achieve the promotion or improvement of

the economic, social or environmental wellbeing of the area, as long as it has regard to its own Community Strategy when determining whether to exercise such powers. In addition, Members have to satisfy themselves in the usual way that any proposals they pursue are consistent with their fiduciary duty to Council taxpayers.

- Corporate – A theatre/arts centre has for a long time been an aspiration of the Council and the local people, however, such an undertaking would need to fit with the objectives in the corporate plan and the priorities which are already under consideration
- Risk Management – The risks for the next stage of the feasibility study are outlined in the report
- Equality Issues – Apart from the legislative imperative which a new facility would have to comply with, the cultural sector activities would be accessible for all in line with the Council's equality policy
- Environmental – Any new facility would be fully compliant with the Council environmental policy
- Crime and Disorder – Though no direct link, studies have shown the positive impact that culture can have with young people as a diversionary activity and the work of the Theatre by the Lake in North Cumbria has shown this to be the case.
- Impact on Customers – The desire for a theatre/arts centre has been shown through the consultation process for the feasibility study in addition to the feedback from previous surveys.



**keith williams** architects

## Carlisle Arts Centre/Theatre 2<sup>ND</sup> Stage Feasibility Study

### Specification and Business Plan Study

### Executive Summary



April 2007



Carlisle Arts Centre/Theatre Feasibility Study - Second Stage

1 Background and Brief

Carlisle City Council is committed to improving the opportunities for the enjoyment of, and participation in, the performing arts in the district, through the provision of a theatre/arts centre in the city. To progress this ambition and working closely with Arts Council England, North West, the Council is commissioning a feasibility study in three stages. The first stage of the study from Roger Lancaster Associates, whose report was received and approved by the Council in October 2006.

In January 2007 Carlisle City Council commissioned DCA and Keith Williams Architects to conduct the second stage of the study. The second stage brief required the following:

- A full site options appraisal
- Outline business planning
- The development of sketch plans and capital/whole life costs of each option
- Identification of potential funding sources/levels in relation to capital costs.
- Recommendations for the selection of site and indicative project timescales.
- Consideration and assessment of the possible models for the future governance and management of a new facility, with recommendation of a preferred option.

Provided that stage 2 identifies an option acceptable to the Council, it intends to commission Stage 3 - a detailed business plan and a design scheme for the building.

2 DCA/KWA response to the brief

During early 2007 DCA undertook the following work:

- Review of the pre-feasibility work conducted by Roger Lancaster Associates
- Consultations with stakeholders and key cultural sector representatives
- Meetings with the project steering group
- Desk research, business and financial planning
- Commissioning specialist catering potential research and reporting

Keith Williams Architects have undertaken the following work:

- Identification and agreement of sites for options analysis
- Review and documentation of all sites
- Understanding the regeneration and planning framework for the city
- Developing the outline specification and schedule of areas for the proposed building at two optional scales of development
- Creating massing and footprint information and testing this against site options
- Recommending site and form of development
- Briefing and liaising with Quantity Surveyor regarding potential project cost.

The conclusions of this work are summarised here and set out in two reports - one produced by DCA and the other by Keith Williams Architects in April 2007.

### 3 Context and strategic fit

The report reviews the current strategic planning contexts at a local, county and regional level with a particular focus on culture, education, and tourism issues. There is a striking agreement across these various strategies. Carlisle is in many ways seen as the de facto capital of the county, but in relation to culture it has some way to go to guarantee this leadership.

Timing is seen as critical to success in achieving this objective and with a number of key policies and contingent funding, coalescing around developments in the city centre, now is seen as the time to capitalise on this situation and create a project that will significantly raise the city's profile nationally and internationally, whilst also offering something which the city currently lacks for residents and visitors alike.

### 4 What would the centre provide?

Consultees agreed that the city is not short of cultural activity, but there is little to focus this activity and little crossover between existing activities - a crucial role for any arts centre.

There was general agreement with the findings of the RLA report that the city lacks provision between the Stanwix and the Sands and that there are few medium-scale venues in the county. We conclude that there is a gap in provision for a dedicated theatre/arts centre that could accommodate a variety of both professional and non-professional work from across the performing and visual arts spectrum.

A centre in Carlisle would be well placed to provide small and medium scale work including: theatre, dance and physical theatre, comedy, the spoken word, a variety of musical genres including jazz, folk, roots, world music, music theatre and rock/pop, visual and applied arts exhibitions and participative activity as well as cinema and digital media exhibition.

This work would complement current provision at Tullie House and elsewhere and dramatically improve access to both excellence in presentation and to opportunities for participation and engagement of individuals and communities.

## 5 Audiences for the Centre

Carlisle has a substantial population (100,750) with a wide catchment: it is an employment, transport, retail, education, business and administrative centre for the county and the sub-region and indeed beyond into southern Scotland and Northumberland, in addition it has:

- a population of 411,930 living within a 60 minute drive-time of the city centre
- an indication that current arts attenders would be likely to result in 125,000-160,000 tickets being sold by the new venue annually
- potential new attenders generating more than 31,000 additional ticket sales

Both primary research (extensive citizen consultation and surveys) and this and other secondary analysis undertaken in both stages of the project so far support an argument that a substantial new centre will be well-supported and successful.

A number of key audience segments were identified including children and young people; tourists; diverse audiences and students/university audiences and effective mechanisms would need to be put in place to drive audiences towards the new centre.

A commitment to access and participation would be particularly key in addressing some of the city's, the county's and the regional agencies' strategic objectives, in particular: the encouragement of lifelong learning; increasing and retaining skills; strengthening the educational infrastructure; engaging with hard-to-reach groups; and embracing diversity.

## 6 Building Options

In response to the comments of respondents and to our wider research into the most appropriate and sustainable form of development, we have developed an outline

specification for the building. The specification sets out two alternative scales of development. Both follow the broad pattern of Roger Lancaster Associates' recommendations, but at the smaller and larger extents of the range that is suggested in his report.

These can be typified by the difference in capacity between the main auditorium - 500 in then larger and 400 in the smaller - but the difference in scale and functionality runs through the specification in all facilities. As well as being smaller, the lesser scheme would have significantly less range of functionality. The report suggests that both scales of development would be valuable in Carlisle but that the larger would better fit the strategic context, the demand and market for provision and the revenue sustainability of the project. Although the larger development will cost more to develop, its greater ability to command income from catering, conferencing and from ticket sales to its own programmes, means that it is likely to require significantly less revenue resource year on year once open. The report sets out a cost benefit analysis that supports a recommendation to pursue the larger option.

The largest space in the proposed Centre would be the main auditorium. In the larger option this space should be capable of seating an audience of 500 in comfort and with uninterrupted sight-lines. The space would combine flexibility with high quality experiences for audiences of all artforms set out above, including cinema. A capacity in the order of 500 seems to us reasonable and a best 'fit' in the context of other provision - between the smaller studio spaces and the main space of the Sands.

A second, smaller space - the studio - would serve as the auditorium for smaller work and as the primary rehearsal, participation and recording space. This is a multi-purpose production and presentation space for dance and music as well as for theatre not presented in a proscenium arch format. It will be capable of being adapted for a variety of uses - smaller rock venue, jazz club and would be equipped to show cinema - again from a digital projection system.

The building will require welcoming and flexible front-of-house areas which can be used for a variety of purposes including meetings, receptions as well discrete and distinct gathering, including talks, informal events and festival events. The space should be welcoming to children and capable of dealing with large numbers of school visit participants arriving and being organised throughout the day. The foyer can provide extra overspill areas for the café/bar.

We recommend a gallery space of at least 120sq m should be capable of accommodating touring exhibitions across all the visual arts with appropriate

environmental control, lighting and AV equipment. This space should also be capable of providing a venue for talks and presentations in different formats by visiting artists, teachers and schools groups amongst others. The gallery should be in a prominent and open, visible location and designed to ensure maximum footfall from both those intending to visit and the casual visitor.

Substantial bar/café areas should be central to the building as they provide a key draw for the venue and as such should strive for a maximum opening hours to fit the programme within the building.

There should be flexible, interlocking spaces that can be used for education and other purposes. These should be at least two spaces that meet or exceed the recommended specification for classrooms. Provision should be made for both visual arts and performing arts workshops with dedicated clean and dirty workshop spaces supporting formal and informal teaching.

Overall, the building would command a high profile position in the regional and indeed national cultural scene, as well as providing excellent facilities for the very significant cultural activities and aspirations of the city's people.

## 7 Site Options Analysis

KW, DCA and the Carlisle City Team have considered carefully the potential siting options for the proposed centre. Six sites have been studied in detail:

- The former Salvation Army Citadel in Abbey Street
- The former Methodist Central Hall, Fisher Street
- The Civic Centre Complex and Rickergate development area (2 sites)
- The Lonsdale Cinema, Warwick Road
- Vacant car park site, Fisher Street

A site selection matrix was compiled using a number of criteria grouped under the following headings: location; cultural and educational benefit; strategic and public benefit; finance, design and realisation; operating, trading and sustainability implications.

The result of this exercise was a clear recommendation to seek development on one of the two Rickergate sites as an integral part and driver of the Carlisle Renaissance plans for the redevelopment of this area. Although the Salvation Army Citadel site

does offer a possible alternative, this site is less satisfactory from a design, functionality and revenue sustainability point of view.

The other sites reviewed scored significantly less well, either because they could not accommodate the facilities recommended, presented serious permission and listing difficulties, were potentially very complex and expensive to acquire and develop or were not located in the city centre in such a way as to ensure their success in operation and business sustainability.

In the case of the Methodist Central Hall, the listed and attractive main congregation hall is unsuitable for the theatrical uses to which the new centre will be put. It could not be converted without what amounts to demolition. This is both unlikely to be granted and would be inappropriate given the heritage and significance of the building and its interior. It is not clear, even if this path were to be pursued, that the site would be large enough for the specification for the Theatre/Arts Centre and there would, in any case, be significant problems of access for deliveries and unloading in the historic street pattern of this area. Whilst we have looked at possible arts uses for the Hall without demolition, these do not approach meeting the demands and aspirations that will be placed on the new Theatre/Arts Centre. A small ensemble music venue might be created here, but its form would remain compromised by issues of sight line and accessibility presented by the current building and it would not meet the brief that has been confirmed by both stages of the feasibility study so far.

The former Lonsdale Cinema site is larger, but is dominated by poor quality brick enclosures of the former cinemas. In order to develop the spaces required to fulfil the brief for the Theatre/Arts Centre, these large brick volumes will require demolition as they do not reflect the spaces and facilities that will be required. Although it is possible that the frontage could be retained, this would provide a relatively narrow and constrained entrance to the new building and push back the catering and trading facilities deeper into the site than one would wish. It is not clear to us that these catering facilities would then compete effectively with the particular night-time economy that prevails at this end of the city centre. The site would be large enough to develop the new centre after demolition of the current structure, but the cost of acquisition and of demolition and redevelopment would be likely to be substantial and this option therefore scores poorly in terms of the ability of the City to deliver a site in private ownership (where the owner's willingness to sell is unclear) and presenting poor value for money.

## 8 Capital Cost

As the draft specification for the development indicates, the proposed Centre would require a new building of a minimum of just over 5,400 square metres to deliver the recommended combination of accommodation, based on the larger building specification. Based on likely levels of fees and client costs in delivering the building and preparing for opening, and allowing for inflation on the basis recommended by Quantity Surveyors Jackson Coles, a gross project cost of just under £21m represents a reasonable estimate for this stage of the process. The Council will need, however to review this prior to incurring further fee costs in developing the project, once the site of the project is certain and the development model is better understood.

## 9 Funding

We have had conversations with a range of potential funders about the way in which the City Council might seek to secure partnership funding towards the development of the project. At this stage we would not wish to allocate certain target sums to each of the above potential funders, but we would suggest that in the order of £4-5m should be capable of being secured by a combined campaign to lottery, development agency, regeneration, other public, partner and private sources. If the Council decides that the building will be run by a Trust, this will bring another dimension to trust and foundation/donation funding.

Central to this will be the campaign to secure substantial funds from the regional development agency and others in pursuance of the way in which the project can help to deliver the Regional Economic Strategy and the Regional Spatial Plan. This campaign, and the potential to bring to the project private investment will depend upon the overall financial and development planning of the Carlisle Renaissance project and this planning will need to educate the discussion with NWDA and others.

Notwithstanding the capacity to raise funds from external sources over the time of the project, the current lack of 'open for business schemes' in the arts funding sector in particular presents a challenge in terms of next steps. We return to this in section 13.

## 10 A sustainable business model

The Authority will be most concerned to be certain that the building can be sustainably operated once open, within resource allocations and cost estimates. Outline revenue operation plans have been drawn up using a tested revenue planning model for arts centres. The revenue plan for the Centre is generally projected at moderately cautious levels of trading and operation and the report sets out a

sensitivity analysis which does highlight and quantify risks in a number of areas, but these would not seem at this stage to indicate that the project faces irresolvable challenges in achieving viability, given certain assumptions about continued public funding at levels somewhat below those found as averages across similar venues nationally.

The centre's annual turnover of over £2,179,000 in its first year of operation in 2011-12 rises to £2,294,000 over a six year period. Carlisle's City Councils' contribution is indicated as £360,000 rising to £417,000 over the same period (effectively a continuing commitment of £320,000 at 2007 prices and represents a contribution of 16-18% towards of the centre's running costs. Other funding assumptions, particularly our assumption that the venue should receive significant funds annually from Arts Council England North West seem to us achievable but will need testing in negotiation with those funders as the scheme progresses toward commencement.

## 11 Ownership and Governance

An important early decision revolves around the ownership and governance of the new Centre. Two basic models are widely used in the UK - that of direct provision by the Local Authority and the alternative of ownership and management of the operation being placed in the hands of a voluntary Trust - which will often also be a charity..

Whilst the City Council has led this project and will continue to have a significant responsibility for its development and success, the intention may well be to develop a wider partnership to operate it, building on the quite well developed networks of arts activity and support in the City. In a situation where a number of projects and groups will use the building as a primary focus for activity, and contribute to its animation, there can be significant advantages to a partnership management and governance approach. The creation of a Trust can be a first step to bringing this wider partnership to bear on projects.

We would recommend that the Local Authority continue to take responsibility for the capital development and delivery of the building, through to completion and fitting out of the building. At this stage we would recommend that the operation of the Centre be undertaken by a Trust (a company limited by guarantee with charitable status) formed for the purpose at least two years prior to opening, and possibly sooner. The earlier this Trust is in place the better its prospects for significant pre-opening fundraising by way of endowment campaign or similar, and for the Centre to develop profile and structures that will stand it in good stead on opening.



## 12 Culture and regeneration

Throughout this report we have discussed the potential role of this new cultural project in the regeneration effort in Carlisle and specifically in the spatial regeneration plans for the city centre developed by Renaissance Carlisle. We believe that the new theatre/arts centre may have a role to play in leading and exemplifying the renewal of the city, but also that if it is to be centrally located on an appropriate and significant site, it will have to be able to make a case for its regenerative effect against competing potential uses.

By embedding the new theatre/arts centre in the regeneration framework, there is an opportunity to use it as a driver of the brand, character and USP of the Rickergate zone, to give civic purpose and character to the new Rickergate Square, to develop a catering and retail strategy complementing and provoking a cluster of development with private sector operators at this end of the City Centre, to explore possible synergies between conference facilities in the centre and the attraction of hotel development and to understand how flows of visitors and city centre users can be affected by cultural provision at different times of day and evening.

The centre will have an economic effect, which will be in itself substantial. Quantified outcomes can be estimated in terms of jobs generated and economic activity provoked. At a minimum, the centre should see 75 new full time equivalent jobs created, and a turnover effect in the local economy of almost £7m.

## 13 Next steps

The difficulty caused by the absence of substantial available lottery or other cultural funds affects the options that the Council faces should it decide to proceed to Stage 3 of the development process - commissioning the design of a scheme for the project.

Ordinarily over the last ten years, it would have been appropriate to make a substantial development funding application to the Arts Council at this point which would have secured ACE partnership support to the next and detailed stages of development, and an overall earmarking to the eventual scheme - thus reducing immediate exposure and risk to the Authority. This is not possible at the moment, albeit that ACE may be willing to contribute some funds toward the development stage via a smaller application.

The Authority therefore faces two options.

The first is to wait before proceeding further to see how the funding situation develops and to await commitment from partners. As the ACE capital scheme seems unlikely to reopen until 2008, and that a decision would then take some time to achieve, this would suggest that the Council might have to wait in the order of a couple of years for the funding situation to mature sufficiently to give further certainty. Given that the potential scale of ACE funds is likely to remain small at least through to the end of the Olympic Games in 2012, we would not recommend this as a way forward - any new funds that might be available at the end of this period may well be more than taken up in the rising cost of the building at a time of high building inflation.

Potential support from NWDA and associated European and regeneration funds, and the possibility of private sector investment through the overall economy of the Carlisle Renaissance programme will be more likely to be secured by moving forward than by waiting.

If the City Council agrees this analysis, the preferred option would be for the City to determine now that the scheme is a priority and to proceed, whilst signalling to other funders and partners that the project will be assertively fundraised as it is detailed and developed. From inception to opening the scheme is likely to take in the order of four years and there is therefore a fairly long window of opportunity to draw in other funders and contributors during the process - public and private sectors prior to signing construction contracts and going on site, and trusts and foundations prior to and after start on site through to opening.

In the immediate term, there are preparatory tasks to be undertaken which will delay the start of the detailed development stage until Autumn 2007, during which time the Authority may make an application to ACE and possibly to NWDA for funds toward the development process, before having to commit substantial funds itself.

Our recommendation, therefore, if the Council seeks to develop the project, is that it signals clearly its intention to do so and over the next three to six months completes a series of preparatory tasks that will enable any further investments in fees and costs to be committed on the basis of the best available knowledge:

1. Selection, resolution and commencement of acquisition of site
2. Negotiation with partners, NWDA, ACE and resolution of regeneration financing
3. Procurement processes for the proper appointment of a design/technical team
4. Application to ACE NW for a contribution to design development costs

The scheme seems to us to offer a landmark project, delivering substantial benefits to the community, and to the partners who will fund it. Whilst realising the scheme will be challenging, we believe that it should be possible to secure the resources to match the needs and commitment of the local communities by developing a national quality focus for the regeneration of the city and the Rickergate development area.

As one commentator said: “Carlisle has reached a crucial stage in its development. It will either lose out to the city-regions of Newcastle and Manchester, or it will become further established as the regional centre for Cumbria and the borders’.

The Theatre/Arts Centre, as explored in both stages of the feasibility process to date offers a very significant opportunity to place culture and the aspirations of the people of the city at the heart of Carlisle’s response to this regeneration challenge.

Whilst development will not be without cost and complexity, there is a logical option for action in the immediate term, which, through the commissioning of a series of preparatory work, has the potential to begin to resolve uncertainty and to enable the authority to commit to the development of a project for which there is much enthusiasm and demand, and which stands to make a significant difference to the ability of the City to command the status as a full Regional City in the terms of the Regional Spatial Plan.