

Appendix A

Supporting information

The Council is working in collaboration with Bristol Music Trust to support the much needed redevelopment of Colston Hall, which requires substantial renovation and building long-term financial resilience. In this regard, the project is also aimed at enabling sustainable growth for the business, reducing its reliance on public funds and supporting BMT to focus on outcomes targeted at their charitable work. The aim is by 2022 to have an internationally award winning music events building, performance and education programme fit for the City for this century, which supports the City's cultural ecology.

Colston Hall, a grade two-listed historic asset, contains a main hall with capacity of between 1,800 and 2,000 depending on layout and a smaller hall with capacity of 240 to 350. Funding constraints have meant that limited investment has been made in the building since 1950 when a major refurbishment was carried out for the Festival of Britain.

By around 2005, it was clear that the halls needed substantial investment if they were to be viable as a 21st century concert and events hall. A project was therefore initiated to create a new foyer building and to refurbish the historic building. It was recognised that this project would require significant funding investment and so the decision was made to split the project into two phases. In 2007-2009, Phase 1 of this project was created by the Council investments alongside from Arts Council England grant funding, building a modern foyer containing restaurants, bars and administrative offices as an extension to the halls. This was designed by architects Levitt Bernstein and built by main contractors, Wilmott Dixon and opened to great acclaim in 2009.

Bristol Music Trust (BMT) was created in February 2011 to deliver high quality music education to the citizens of Bristol, to manage the music venue, and to support and form a key pillar in the city's cultural offering. BMT began operations on 1st May 2011 with a 25 year peppercorn rent lease on the Halls from the Council. A senior professional arts manager was recruited as Chief Executive Officer. The Board of Trustees requires a Trustee to be an elected member of Bristol City Council (2 if more than 12 Trustees).

The Council has continued to grant aid the Trust in support of its operations with £1m p.a. since 2011. This is done by means of a 25 year Entrustment Agreement to March 2036 by which the Council entrusts BMT with the responsibility to provide cultural development services in relation to music and musical education for the benefit of the public of the City of Bristol. The detail of the specific services to be provided are governed by a Service Level Agreement updated every 3 years and detailing the services provided by BMT and the compensation for those services paid by the Council.

In addition to the service delivery relationship, the Council had been working in partnership and supporting BMT in achieving Phase 2 of the redevelopment of the building. In 2015/16 both organisations invested in a joint extensive investigation and feasibility study which resulted in four redevelopment options being presented by Levitt Bernstein.

Prior to the formation of the Trust growth across all operational criteria's was pedestrian, since the formation of the Trust in 2011 significant growth has occurred, along with the delivery of music education to the citizens of Bristol and facilitation of a music economy within the city.

Criteria	Increase since 2011 vs 2017
Performances	45%
Tickets	35%
Revenue	68%
Visits	60%
Customers	53%

Bristol is now in a position to capitalise on the work undertaken over the last seven years. By ensuring that in partnership with the BMT, we complete on the renovation of Colston Hall and assist BMT to move to a fully financially sustainable business model.

Music education and cultural presence

The BMT provides a unique music education programme unrivalled in the UK, along with being a centre of the city's cultural ecology. The cost of the music education programme is £1.9m, paid by £1m funding from school, £0.5m funding from the Arts Council and £0.4m from the Council. Resulting in BMT winning the Music Education Hub of the year award in 2016, and being short-listed again this year.

Activities through the renovation period

The Bristol Music Trust will continue to fulfil a limited business plan during the renovation period, contributing to the cultural life of the city and satisfying the needs of audiences and key stakeholders. The music education programme will be unaffected.

The principal reasons for continuing to have a presence of events in the city are:

- a. To maintain relationships with audiences and artists carefully built up since 2011.
- b. To satisfy ACE National Portfolio funding requirements thus safeguarding eligibility for capital grants from ACE
- c. To utilise the events to attract and leverage additional donor contributions
- d. To continue to play a role in Bristol's cultural profile and satisfy the Council's KPIs

The activities BMT will be carrying out during the renovation period include:

- Full use of foyer building for performances, conferencing and catering sales
- Musical events in smaller venues across the city and large scale open air concerts in summer
- Ticketing services for community and other local groups
- Full music education programme including the setting up of the funded National Centre for Inclusive Excellence for musicians with SEND.

- Full organisational review and re brand leading to reopening with new name
- Artistic planning for 2020 and beyond
- Energetic continuing fundraising for the project to minimise final amount of underwriting to repay

Aims

Finally in summary the collective aims between BMT and the Council can be summarised as follows:

- ***Aim One – to maintain and grow high quality music education and provide a centre of the cultural offering and ecology of the city.*** The BMT provide high quality music education to citizens across the city via their schools programme, music centres targeted at children, teaching music technology and developing the music industry. This is a unique offering not replicated anywhere else in the UK. The provision of an international premier music and conference centre is a central plank of the cultural offering and ecology of a modern city. This is being further supported by the new transformational programme: A New Ambition that is delivering music education to individual children and young people with SEN/D including children in care.
- ***Aim Two – Building BMT’s long-term financial resilience, reducing its reliance on public funds.*** Post renovation, it is anticipated that BMT will have steady growth in future income from 69% to 75% sustainability, hence reducing its reliance on the public funds.
- ***Aim Three – to renovate Colston hall to be a UK premier concert and music venue.*** The design phase of the capital redevelopment and renovation of the hall is progressing well. Once the renovation is completed, the City will have an international premier music venue with three distinct spaces (the main auditorium, the lantern room and the Cellars) which will attract many forms of music and performance.

Please note, part of the Phase 2 redevelopment, the Arts Council grant offer letter has a number of clauses affecting the Council, key ones to consider are as follows:

- Submission of the collaboration agreement between the Organisation and Bristol City Council for review.*
Officer comment – Officers and BMT are near finalising the collaboration agreement (see legal comments for further details)
- Submission of the new lease for review. The lease should be registered and assignable lease of at least 30 years from practical completion of the building works without a break clause.*
Officer comment – Officers are content with a 30 year lease, however BMT had submitted further requests to explore the opportunity for a longer lease to help enabling attraction of additional external funding.
- Written confirmation from Bristol City Council that it will maintain its revenue commitments to Bristol Music Trust at levels already agreed, specifically £1,026,000 per annum until reopening and £526,000 per annum from reopening until March 2022.*
Officer comment – The levels of funding are contained within the MTFP.
- Confirmation that 90% of the Total Partnership Funding has been confirmed in writing to our satisfaction.*

Officer Comment - BMT will continue to fund raise and now that Planning permission has been given the BMT can, and are, approaching the larger philanthropic trusts to seek further funding.

- e. *Finalised plans for the closure period including budgets for the two-year period (18/19 and 19/20) which demonstrates a break even position*

Officer Comment – The trust’s current business plan show a break even position during 18/19 and 19/20 with the Council’s £1,026,000 p.a. funding.

- f. *The financial projections for the first three years of reopening (2020/21, 2021/22 and 2022/23) should be up-dated and submitted to the Arts Council for review including details of the assumptions and sensitivity analysis on these figures. This should include the repayments of the underwriting facilities to Bristol City Council.*

Officer Comment – BMT have included the repayment of the underwriting facility in their business plan, however the terms and conditions requires revision to align with the Council’s requirements.