

REQUEST FOR MAYORAL DECISION – MD1515**Title: Recoupment of costs Fourth Plinth Sculpture and hosting the World Cities Culture Summit in 2015****Executive Summary:**

The Fourth Plinth Programme is a key deliverable forming part of the Mayor of London's statutory Cultural Strategy. The 2012 commission, *Powerless Structures Fig.101* by Elmgreen & Dragset has recently been sold to the Arken Museum of Modern Art, Denmark. In accordance with the GLA's commission contract, the production costs of £140,000 for this work are now due to be repaid to the GLA.

The World Cities Culture Forum (WCCF) was set up by the Mayor in 2012 and is a policy priority (2.2) in the Mayor's updated Culture Strategy (2014). Rio de Janeiro agreed to host the annual WCCF summit in November 2015 but then pulled out. London will now host the Summit. Due to this exceptional situation, income from the sale of *Powerless Structures Fig.101* will contribute to funding the Summit.

Decision:

The Mayor approves:

1. The receipt of £140,000 as a contribution towards the production costs of *Powerless Structures Fig.101* by Elmgreen & Dragset following the sale of the work to the Arken Museum of Modern Art.
2. Expenditure of £40,000 of this income on the delivery of Fourth Plinth Programme.
3. Hosting the annual World Cities Culture Forum Summit in London in November 2015 and the expenditure of £100k of the income from the sale of *Powerless Structures Fig.101* towards the cost of hosting the Summit in London.
4. Underwriting further expenditure of up to a maximum of £54,000 to host the WCCF annual summit from the existing 2015/16 Culture Team budget in the event that external sponsorship is not secured.
5. Receipt of up to £54,000 income from sponsorship or grants towards the cost of delivering the WCCF annual summit.

Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision, and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:**Date:**

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

Fourth Plinth

- 1.1 The Fourth Plinth Programme is a powerful manifestation of London's leading position as a world class cultural capital, referred to as the 'smallest but most prominent sculpture park in the world'. Over the past 15 years the Fourth Plinth in the northwest corner of Trafalgar Square has been home to some of the world's most innovative artworks and has become a model of best practice in commissioning public art.
- 1.2 In 2012, as part of the Fourth Plinth Programme, the GLA commissioned, *Powerless Structures Fig.101* by Elmgreen & Dragset, which the Artist has recently sold to the Arken Museum of Modern Art, Denmark. In accordance with the commissioning agreement, the production costs for this work are now due to be repaid to the GLA.
- 1.3 MD523 in March 2010 approved the funding for the delivery of the 2012 and 2013 commissions (Elmgreen & Dragset and Katharina Fritsch respectively) and outlines the need for a further decision should the works be sold and costs reimbursed. MDs1153 and 1384 approved GLA funding for the Fourth Plinth Commissioning Programme in the financial years 2013-14 to 2017-18.
- 1.4 This decision concerns the invoicing and acceptance of the production costs from the Elmgreen & Dragset commission of £140,000 and the further expenditure of this income.
- 1.5 The Fourth Plinth commission has been managed and run by the GLA since 2000 when the GLA took over management of Trafalgar Square. When the first commission, *Alison Lapper Pregnant* by Marc Quinn, was unveiled in 2005, the production costs were £140k. This budget remains the same ten years later.
- 1.6 There are several key issues arising from this situation:
 - a. Inflation costs – the production and installation costs have increased over the past ten years but the budget remains the same.
 - b. The increasing success of the Fourth Plinth Programme and the number of international artists involved means that some artists have higher shipping and transportation costs than others, which seriously impacts the production budget, putting a high level of pressure on winning artists to raise additional funding.
 - c. As the programme becomes even more internationally recognised the shortlisting process will include artists from even further afield. This means travel and accommodation costs are now applicable eg Hans Haacke (in situ) who resides in New York City and David Shrigley who resides in Glasgow (due to be unveiled in 2016) commissions.
- 1.7 It is proposed to apply £40,000 of the recouped production costs to support the Fourth Plinth Programme commissions, including:
 - installation costs on Trafalgar Square
 - additional transport costs for the works
 - towards travel and accommodation costs for and the winner of the next commission in spring 2018 to attend meeting, the installation and unveiling of the sculpture in London

1.8 The remaining £100,000 will be used to support the delivery of the WCCF in London in November 2015.

World Cities Culture Forum (WCCF)

- 1.9 The WCCF was launched by the Mayor in 2012 during the Olympic Games by London, New York, Shanghai, Paris, Tokyo, Sydney, Johannesburg and Istanbul as a high level strategic forum for culture planning in cities. It coincided with the publication of the first World Cities Culture Report, the most comprehensive report of its kind, showing the scale of London's strengths, its renowned museums, galleries, heritage and monuments, alongside the dynamism and diversity of its commercial creative industries.
- 1.10 Under the Mayor's leadership, it has tripled in size to 27 cities from Amsterdam to Hong Kong, from Moscow to Toronto and is made up of leaders who take a strategic approach to integrating culture across city policy. The cities come together to share best practice with international colleagues and promote innovation at home.
- 1.11 The WCCF is now an exemplar 'soft power' initiative. 'Soft power' is now recognised as an essential element in global relations. It builds relationships of trust and cooperation with the GLA's counterparts in city governments around the world. The WCCF has created numerous opportunities for collaboration and learning between world cities.
- 1.12 The World Cities Culture Report has robustly demonstrated the value of culture in world cities – it is as important to its success as finance and trade. The Report has proved so successful that it has been translated into 7 languages and has attracted significant media coverage. In 2014 a new Report on the transformational power of culture in cities was also produced and plans are in place to produce further reports every year.
- 1.13 The Deputy Mayor for Culture and the Culture Team frequently reference the WCCF and the reports in the work they do, drawing inspiration from other cities and making links between UK artists and WCCF partners. Learning has taken place in priority areas for London such as creative workspace, planning, cultural tourism, cultural districts, sustainable finance models and public access
- 1.14 Each year an annual summit takes place to bring cultural leaders together:
- 2012 London
 - 2013 Istanbul
 - 2014 Amsterdam
- 1.15 The annual summit provides a forum to discuss challenges faced by cities in particular areas and learn how these issues have been tackled in other cities.
- 1.16 The City of Rio de Janeiro had agreed to host the global summit this year and had signed a Heads of Terms in November 2014. However due to a combination of circumstances (the economic crisis, budget cuts and a change of political leadership) Rio is no longer able to host the 2015 Summit.
- 1.17 The summit is the centrepiece of the annual programme for city members and the GLA is committed to ensuring it happens in 2015 to maintain the ongoing momentum for the WCCF and the Mayor and London's reputation as the leaders of this initiative. London has now stepped in to host this year's summit for 3 days from 18 to 20 November.
- 1.18 As is always the case with the summit, the host city undertakes to fund hotels, venues, catering and speaker fees for attendees. This is reciprocated when the summit takes place in other cities – as in Amsterdam in 2014 and reflects the partners' commitment to the forum.
- 1.19 The budget for the WCCF would include costs for hotels, venue hire, catering, speaker fees, transportation, technical costs, project management and marketing materials. As set out above, £100,000 would be secured from the recouped production costs of the Fourth Plinth for delivering the summit. Additional amounts of £20,000 have been allocated to the WCCF programme from the

C&I Minor programme budget and £15,000 LCSCG income for the financial year 2015/16 leaving a balance of £54,000. The Culture Team will seek sponsorship for the event and will work with partners to try and reduce costs as much as possible by negotiating on price and securing in kind support. In 2012, when the first annual Summit was held in London, sponsorship was secured for evening reception/dinners and transportation. Discussions are taking place to see if the costs of hotels, catering and venue hire can be reduced for a sponsorship in kind partnership. The Culture Team would look to current budgets across the team to try and release any underspends or reductions in other budgets lines to bridge any gap in covering the final cost.

Budget

	2015/ 16
Description	£000
<i>Project Funding</i>	
C&I Minor Programme budget	20
LCSCG income c/f	15
Sponsorship Income	54
Private sector: Sale of Fourth Plinth	140
Total funding	229
<i>Project Costs</i>	
Fourth Plinth	
Production, transport, installation	40
WCCF summit	
Venue hire & technical	45
Event Planning and production	20
Gala dinner, receptions and catering for up to 150	43
Speakers & translation	20
Accommodation & transport	46
Contingency	15
Total costs	229
Surplus/(Deficit)	0

2. Objectives and expected outcomes

Fourth Plinth

Objective

- 2.1 To recoup production costs of the Fourth Plinth and use part of the income to sustain the internationally recognised commissioning programme going forward.

Outcome

- 2.2 Invoice Victoria Miro Gallery for Production costs of £140,000 and allocation of £40,000 towards the future Fourth Plinth programme and £100,000 towards London hosting the World Cities Forum in November 2015.

World Cities Culture Forum

Objective

- 2.3 To ensure the ongoing development and success of the WCCF, maintaining the Mayor and London's reputation as the leaders of this initiative, through hosting the fourth annual Summit in London.

Outcome

- 3 day conference held at City Hall and London cultural venues
- Programme to include discussion on key challenges facing cultural organisations and the creative industries
- Programme highlighting the successes and challenges faced by London's culture sector and creative industries.
- Speakers from across the London Culture and Creative Industries plus World Cities representatives
- Delegates from up to 30 world cities taking part
- Publication of an updated World Cities Culture Report
- Publication of policy briefing after the event
- Events for leaders from London's culture sector to build relations, share good practice and secure business opportunities with leaders from other global cities.
- A public event for London's wider culture sector to engage more closely with city delegates

3. Equality comments

Fourth Plinth

- 3.1 The Fourth Plinth Commission on Trafalgar Square is accessible and the commission is a key component to bringing high quality art to all. We will work in partnership with key strategic agencies to monitor and continue to develop our programmes (e.g. SHAPE, Interactive, Attitude is Everything) to ensure that communication around the programme also meets the needs of equality groups that are different from the needs of others.

World Cities Culture Forum

- 3.2 One of the key aims of the WCCF is to advocate for the critical contribution of culture to the economic and social success of world cities. It is building an evidence base about the wide-ranging ways in which culture impacts on a world city and its inhabitants. In 2014 the Transformational Cultural Project Report was published. This is a collection of case studies about the transformational power of culture in world cities. A 'transformational' cultural project is one which has contributed significantly to linking culture with sustainable urban development. Transformational is understood within a broad framework of human development, in which social welfare, equity and people's capabilities matter.

4. Other considerations

- a) Links to strategies and Mayoral and corporate priorities

Fourth Plinth

The Fourth Plinth Programme is identified in the Mayor's Culture Strategy as a deliverable to encourage public awareness of London's public art, architecture and urban design by creating high-

quality and memorable work. It is also an integral aspect of the promotion of Trafalgar Square as a world class public space and venues for cultural activity.

The Mayor's statutory Cultural Strategy (updated 2014) specifically recommends support of the Fourth Plinth programme in Policy 5.5: *"Through the Fourth Plinth Commissioning Programme.....the Mayor will continue to ensure that high quality public art enhances the public realm and contributes to the vitality of living in London"*

World Cities Culture Forum

The Mayor's statutory Cultural Strategy (updated 2014) has a specific action under Policy 2.2 to *"develop the World Cities Culture Forum – increasing the number of cities involved, producing a new report every three years and running annual summits"*

b) Risk

Fourth Plinth

There is no risk associated with the recoupment of the Fourth Plinth production costs.

World Cities Culture Forum

There would be significant reputational risk if London does not host the Summit this year. The Mayor is the initiator and London is the lead city for the Forum. A key part of the membership is the annual Summit which was a real success in Amsterdam last year, with an opening ceremony in the Royal Palace hosted by King Willem-Alexander. As leader of this initiative, London must be seen to step forward to host the Summit following Rio's decision to cancel. If there is no Summit in 2015, the future of the Forum will be at risk as members will not sign up and the planned reports for 2015 (Updated WCCR and Financing Culture) could not be delivered. We also have 3 new members (plus more to be confirmed)– Rome, Taipei and Vienna who have joined on the understanding that there will be a Summit in 2015.

5. Financial comments

- 5.1 Approval is being sought for expenditure on the World Cities Culture Summit in 2015 and the receipt of £140,000 from the sale of a commission from the Fourth Plinth, as described within the main body of this report. The income from the sale will be utilised on additional expenditure related to the delivery of the current Fourth Plinth Commission to the value of £40,000 with the balance going towards the cost of the World Cities Culture Summit.
- 5.2 The Fourth plinth programme budget, as agreed in the 2015/16 budget setting process, is £254,000; which increases to £294,000 with the approval for the additional expenditure requested within this report.
- 5.3 The estimated gross cost of the World Cities Culture Summit is £189,000. Funding of £135,000 has been secured (£100,000 proceeds from the sale of the Fourth plinth commission as noted above, £15,000 LCSG partner contributions already received and a contribution of £20,000 from the C&I Minor Programme Budget). The balance of funding required will be met from sponsorship income of £54,000.
- 5.4 It should be noted that at this stage none of the sponsorship income (up to £54,000) has been secured. Any shortfall in income will be underwritten from the existing 2015-16 Culture budgets and the Culture Team will have to set aside this amount from within their budget allocation uncommitted until the final costs and income received have been confirmed.

- 5.5 Any changes to this proposal, including budgetary implications will be subject to the Authority's decision-making process. All appropriate budget adjustments will be made.
- 5.6 The Culture Team within the Communities & Intelligence Directorate will be responsible for managing this initiative and ensuring that all activities and associated expenditure complies with the Authority's Financial Regulations, Contracts & Funding Code and Expenses & Benefits Framework.

6. Legal comments

6.1 The foregoing sections of this report indicate that:

- 6.1.1 the decisions requested of the Mayor fall within the GLA's statutory powers to do such things considered to further or which are facilitative of, conducive or incidental to the promotion of economic development and wealth creation and social development in Greater London and the GLA's duty to promote tourism to Greater London under section 378 of the Greater London Authority Act 1999; and
- 6.1.2 in formulating the proposals in respect of which a decision is sought officers have complied with the GLA's related statutory duties to:
- pay due regard to the principle that there should be equality of opportunity for all people (further details on equalities are set out in section 3 above) and to the duty under section 149 of the 2010 Act to have due regard to the need to eliminate unlawful discrimination, harassment and victimisation as well as to advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not¹;
 - consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom; and
 - consult with appropriate bodies.

6.2 Officers should ensure that appropriate agreement is put in place for the repayment of the 2012 Fourth Plinth sculpture production costs before any reliance is placed on the income.

6.3 Where any services or supplies are required, these must be procured by Transport for London Procurement who will determine the detail of the procurement strategy to be adopted in accordance with the GLA's Contracts and Funding Code.

Officers must ensure that appropriate contract documentation is put in place and executed by the successful bidders and the GLA before the commencement of the services or supplies.

6.4 The GLA may seek sponsorship when exercising its section 30 general powers under its power to charge third parties for discretionary services under section 93 of the Local Government Act 2003 provided that the charges levied do not exceed the costs of provision.

Officers must ensure that sponsorship is sought in accordance with the sponsorship policy and appropriate sponsorship agreements are put in place and executed by the GLA and the third party sponsor before any reliance is placed on the sponsorship income and/benefit in kind.

6 Investment & Performance Board

A decision was made on 5 June 2015 outside of the formal IPB meeting, due to the urgency needed to announce that London is hosting the World Cities Culture Forum in November 2015. Following formal

¹ The protected characteristics and groups are: age, disability, gender reassignment, pregnancy and maternity, race, gender, religion or belief, sexual orientation and marriage/ civil partnership status.

consultation with IPB Members and in accordance with the IPB urgency procedure, Sir Edward Lister, Chair of IPB, confirmed that he is content to:

- receive £140k from the sale of the Fourth Plinth commission
- authorise expenditure of £40k of this income on the delivery of Fourth Plinth Programme
- host the annual WCCF Summit in London in November 2015 including entering into agreements and receiving income from partner organisations to deliver the WCCF
- allocate £100k of the Fourth Plinth sale to the WCCF Summit

8. Planned delivery approach and next steps

Activity	Timeline
Invoice raised for the sale of the <i>Powerless Structures Fig.101</i>	June 2015
Announcement of WCCF Summit in London	June 2015
Invitation to attend the WCCF Summit sent to World Cities	June 2015
Project Manager appointed to manage logistics for Summit	August 2015
Accommodation booked for delegates	September 2015
Programme for WCCF Summit and speakers finalised	October 2015
Annual WCCF Summit held in London	November 2015
Policy Briefing on London Summit published	January 2016

Appendices and supporting papers:

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after approval or on the defer date.

Part 1 Deferral:

Is the publication of Part 1 of this approval to be deferred? NO

If YES, for what reason:

Until what date: (a date is required if deferring)

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer:

Jackie McNerney has drafted this report in accordance with GLA procedures and confirms the following have been consulted on the final decision.

✓

Assistant Director/Head of Service:

Amanda Coyle has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

Sponsoring Director:

Jeff Jacobs has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

Munira Mirza has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature

Date

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature

Date