

Finance and Resources Committee

10.00am, Tuesday, 25 April 2023

South Bridge Resource Centre, 6 Infirmary Street, Edinburgh – Future Strategy

Executive/routine Wards Council Commitments	Routine 11 – City Centre
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1. Recommendations

- 1.1 That Finance and Resources Committee:
 - 1.1.1 Approves entering into formal discussions with the Edinburgh Festival Fringe Society for a long lease of the South Bridge Resource Centre;
 - 1.1.2 Notes that the proposals will include solutions for current occupiers (Canongate Youth) and other services (Adult Education classes); and
 - 1.1.3 Notes that a further report will be submitted to Committee once the next stage of due diligence is complete.

Paul Lawrence

Executive Director of Place

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Report

South Bridge Resource Centre, 6 Infirmary Street, Edinburgh – Future Strategy

2. Executive Summary

- 2.1 Edinburgh Festival Fringe Society (EFFS) has been successful in securing funding from the UK Government towards a Fringe Community Hub. They have been in dialogue with Council to establish whether any part of the Council's estate might be suitable for this purpose and South Bridge Resource Centre has been identified as an option.
- 2.2 This report seeks approval for the Council to enter in to formal and more detailed discussions with EFFS on the future long lease of the property including solutions for current occupiers and users.

3. Background

Edinburgh Festival Fringe Society (EFFS)

- 3.1 EFFS was established as a charity in 1959 to:
 - 3.1.1 Support, advise and encourage everyone who wants to participate in the Fringe;
 - 3.1.2 Provide information and assistance to help audiences curate their own Fringe experience; and
 - 3.1.3 Promote the Fringe and what it stands for all over the world.
- 3.2 Today, the Fringe is one of the world's leading platforms for freedom of expression and provides an unrivalled cultural asset to Edinburgh and Scotland. In the month of August 2022, there were 3,324 shows in 270 venues across Edinburgh.
- 3.3 EFFS celebrated their 75th anniversary in 2022 and launched a 10-year vision with six clear, development goals. One of those goals is *Good Citizenship – a commitment for the Fringe to be a force for good in and for the City of Edinburgh* with an ambitious target to establish a new year-round home for the Fringe Charity by 2027.

South Bridge Resource Centre

- 3.4 South Bridge Resource Centre is a Grade B listed former school building that was originally constructed in 1885. Located on Infirmary Street, the site extends to approximately 0.251 hectares (0.62 acres) as shown outlined in red on the plan at Appendix 1.
- 3.5 The Centre currently provides a number of classes as part of the Adult Education Service. In addition, Canongate Youth hold a lease over a large part of the upper floor. Canongate Youth is an independent voluntary organisation with charitable status who work with children and young people from 5-25 to ensure that they are safe, heard, nurtured and given opportunities to realise their full potential.
- 3.6 The current condition of the building requires a substantial amount of work (as identified in a condition survey in 2019). The report estimated a cost of £1.13m would be required to cover the issues identified and this will have increased in the intervening period due to the impact of Covid on the construction industry.

4. Main report

- 4.1 As part of the wider 10-year vision, EFFS has been seeking to secure an iconic building within the city centre through which their future can be protected via a redeveloped and reimagined Festival and Community hub. This would allow the amalgamation and consolidation of their current occupied buildings which would, over time, create a more sustainable financial platform from which the Fringe would operate.
- 4.2 To identify a suitable building, EFFS has been in dialogue with the Council to establish whether any part of the Council's estate would be suitable for the development of the Hub. Following these discussions, South Bridge Resource Centre has been identified as a potential option principally due to its location, accommodation and the wider opportunity it provides.
- 4.3 At the outset, it was made clear that prior to entering into any formal agreement, the existing adult education activity will need to be relocated to suitable alternative locations, if remaining at South Bridge is not possible. In addition, it was expected that Canongate Youth would remain within the building.
- 4.4 To date, EFFS have engaged with Canongate Youth to discuss the wider aspiration and explore synergies. For example, the Fringe Society also works with schools and local communities to provide access to the arts and break down barriers to participation in cultural and creative industries. The response from Canongate Youth has been positive and there is a willingness to explore further the opportunity of the two organisations working together to create a vibrant, flexible and complementary mixed-use hub that focuses on community, creativity and public good.
- 4.5 The building has also been used as Fringe venue during August for the past 10 years. EFFS have engaged with the operator, Greenside, to consider what other alternative options are available should the project proceed.

- 4.6 There is a considerable amount of work required prior to any formal decision by Committee. On the part of the Council, the existing education programme needs to be relocated without any detriment to the service and this will require engagement and options appraisal.
- 4.7 On the part of EFFF, a full proposition, business plan and financial feasibility study of the project is required. To do so, they will require access to the building to carry out a number of surveys. In addition, agreement will be required with Canongate Youth over their continued occupation.
- 4.8 It is therefore proposed that Committee endorses the proposal and agrees to the next stage of the project. This will include entering into a memorandum of understanding with EFFF to provide them with the comfort needed to commit expenditure on the feasibility study. Whilst EFFF are carrying out this survey, the Council will prepare a strategy for the ongoing provision of the adult education service which currently uses the building.
- 4.9 When the above work is complete, a further report will be brought to Committee providing the detailed outcomes and next steps.

5. Next Steps

- 5.1 Should Committee approve the principle of this project, the Council will engage in a memorandum of understanding with EFFF setting out the expectations to be met by both parties.
- 5.2 Once all due diligence is complete a further report will be presented to Committee for approval.

6. Financial impact

- 6.1 The building will have a market value, albeit this will be impacted by its condition and any existing occupiers remain in situ following a transfer. An assessment will be part of the next steps of due diligence.
- 6.2 The Council is facing a minimum cost of £1.13m for repairs required to the building for which there is no current allocation within the Sustainable Capital Strategy. Current annual running costs for the building are £176,000 per annum.
- 6.3 EFFF have secured up to £7m from the UK Government's capital investment fund which supports their levelling up agenda. The proposal would see this used to completely refurbish the building with the asset leased to EFFF on a long-term basis at a peppercorn rent.
- 6.4 Transfer of the asset to EFFF would represent a saving in both capital and revenue costs to the Council.

7. Stakeholder/Community Impact

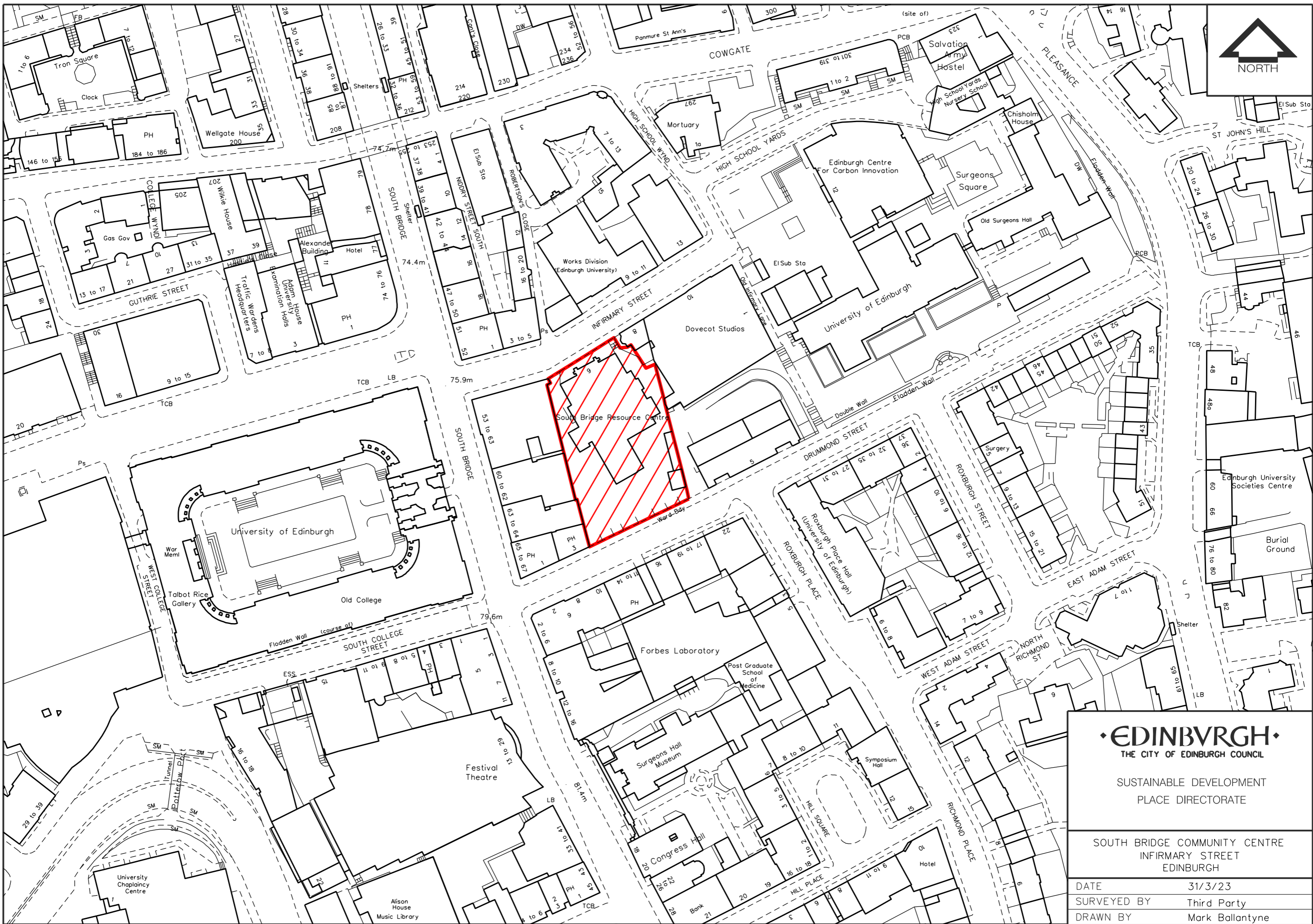
7.1 Ward members have been made aware of the recommendations of the report.

8. Background reading/external references

8.1 None.

9. Appendices

9.1 Appendix 1 – Location plan.



LOCATION PLAN

SCALE 1:1250

• EDINBURGH • THE CITY OF EDINBURGH COUNCIL	
SUSTAINABLE DEVELOPMENT PLACE DIRECTORATE	
SOUTH BRIDGE COMMUNITY CENTRE INFIRMARARY STREET EDINBURGH	
DATE	31/3/23
SURVEYED BY	Third Party
DRAWN BY	Mark Ballantyne
SCALE	1:500 @ A3 SIZE
NEG. NO.	A3/1997a

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