



Report to: Income Generation Sub-Committee, 11th July 2017

Report of: Head of Finance and Interim S151 Officer

Subject: TEMPORARY RETAIL OUTLET IN THE GUILDHALL

1. Recommendation

- 1.1 That the Sub-Committee note that the Royal Worcester Porcelain Museum is to be offered the opportunity to operate a temporary retail outlet in the Guildhall; and**
- 1.2 That the Sub-Committee notes that the arrangement will be by way of a 6 month lease at nil rent with all necessary fit-out costs to be borne by the museum.**

2. Background

- 2.1 The museum is a registered charity and following closure of the factory in 2009, it relies on visitor entry fees, income from the shop and donations. Based at Severn Street, on the site of the old Royal Worcester porcelain factory, the museum entrance is via the shop which sells a range of souvenirs and pieces of porcelain.
- 2.2 A refurbishment of the building is planned for the autumn and as a result the shop will have to close for several months.
- 2.3 Apart from the online museum shop there is no other means of recouping the income from the lost sales.

3. Information

- 3.1 The Guildhall has a room on the ground floor of the North wing that faces onto the High Street and includes a dedicated entrance from the High Street itself.
- 3.2 Currently this room contains a number of desks and is used as a hot desk area for council employees.
- 3.3 The museum has expressed an interest in setting up a temporary retail outlet in this space from October 2017 to May 2018. This will serve as a substitute for the shop currently based at the museum, which will be temporarily closed and will also be an opportunity to increase revenue from the customer flow in the High Street over the Christmas period.
- 3.4 The room has a frosted glass door and the windows are set quite high with some frosted glass. There is therefore limited visibility into the room from the High St. However with the door open and an 'A' board outside customers will be aware of the new offer.

- 3.5 Given that the premises do not have a proven record of success for retailing and that the museum is a registered charity, it is proposed to offer a 6 month lease at nil rent.
- 3.6 Once the room has been cleared by the council and any necessary repairs completed, the museum will be responsible for the fitting out for their operation. It is estimated that the necessary repairs will cost up to £5k, which will be met from existing budgets. The nature of the shop fit-out would be agreed in advance to ensure compliant with Listed Building requirements.
- 3.7 In addition the adjacent room currently operates as the council's post room. This activity is being moved to the South wing and as a result the room will be vacant. It is therefore proposed to offer this to the museum for storage of stock.
- 3.8 The museum intends for the shop to be open 7 days per week, from 10.00 to 17.00. Extended opening hours would apply for the Christmas Fayre. Deliveries would be into the rear of the building.
- 3.9 If the arrangement proves successful for the museum, they will be offered the option of longer-term occupation at a rent to be agreed. If they choose to vacate, the council will have the option of marketing the unit to other organisations. That decision will be better informed following the trading experience of the museum over the six month period.

Ward(s): All
Contact Officer: Ian Forrester
Email: ian.forrester@worcester.gov.uk
Background Papers: None