BRIGHTON & HOVE CITY COUNCIL

CULTURE, TOURISM & ENTERPRISE OVERVIEW & SCRUTINY COMMITTEE

2.00PM 14 DECEMBER 2009

COMMITTEE ROOM 3, HOVE TOWN HALL

MINUTES

Present: Councillors Randall (Chairman); Davis, Drake (Deputy Chairman) and Hawkes

PART ONE

44. PROCEDURAL BUSINESS

44a. Substitutes

Mo Marsh for Craig Turton
Keith Taylor for Amy Kennedy

Apologies from Averil Older
Apologies from Carol Theobald

44b. Declaration of interests

44b.1 Mo Marsh declared that she was a member of the Brighton Dome Board.

44c. Exclusion of press and public

44c.1 In accordance with section 100A(4) of the Local Government Act 1972, it was considered whether the press and public should be excluded from the meeting during the consideration of any items contained in the agenda, having regard to the nature of the business to be transacted and the nature of the proceedings and the likelihood as to whether, if member of the press and public were present, there would be disclosure to them of confidential or exempt information as defined in section 100I(1) of the said Act.

44c.2 **RESOLVED** – That the press and public be not excluded from the meeting.

45. CHAIRMAN'S COMMUNICATIONS

45.1 The Chairman said it was the first time that CTEOSC had considered the budget prior to Council. The Committee's comments would be forwarded to the Overview and Scrutiny Commission for its budget meeting on 26th January 2010 and then on to 11th February Cabinet.

45.2 He explained that Ian Shurrock was here from the Environment Directorate as sports and leisure fell under the remit of CTEOSC. Also present were both the Cabinet Members for this area, Councillor David Smith and Councillor Ted Kemble, who would make short presentations on the budget and their areas of responsibility.

46. BUDGET UPDATE & DIRECTORATE BUDGET STRATEGIES FOR 2010/11

46.1 Cllr David Smith began by emphasising that the Culture & Enterprise Directorate was one of the best known and positively regarded in the city. However, it was facing cash limits. It was responding to this by focussing on customer care and improving its ICT. The Directorate wanted to concentrate on its core activities and increase value for money, for example by increasing sponsorship. It was also looking at innovative ways of delivering services such as transforming community libraries into hubs.

46.2 The service was hoping to achieve a 6% level of savings which represented £722,000. This would be achieved by increasing efficiency to save £495,000 and increasing income by £227,000.They would then reinvest £236,000 into the services, with £190,000 for the Pavilion and museums services and £46,000 into the library service.

46.3 The Directorate faced a number of service pressures including a £360,000 shortfall because of the downturn in the economy. In addition they had service pressures in the area of Supported Employment because of the grant funding from the Department for Work and Pensions coming to an end. A one off corporate allocation from reserves of £180,000 had been provisionally allocated to fund a transitional period from the end of the grant funding.

46.4 Tourism & Venues had already undertaken a review of their back office in order to save £68,000 and there would be reductions in the costs of senior management and administrative staff. Other reductions would be found from introducing timed tours at Preston Manor and reducing the opening hours of the Booth Museum (Thursday to Saturday, from 10am to 5pm and Sunday 2-5pm), alongside opening for pre-booked times. The Brighton History Centre services would be moved to the Jubilee Library, in anticipation of the development of The Keep. This relocation to Jubilee Library would enable access to limited local and family history resources across seven days a week. The re-location of the Centre would also free up exhibition space, which could be used to house exhibits from the Booth Museum.

46.5 Cllr Ted Kemble then told the Committee that his service areas were seeking to make the following savings:

- Reducing the contribution to the Brussels office to £4,000, making £2,000 savings
- Fund the Business Forum with external funds and make a core budget saving of £40,000
- Taking advantage of the low Retail Price Index (RPI) inflation on the Dome contract to generate savings of £25,000
- Streamline the Major Projects Team to save £70,000
- Reducing supplies and services budgets by £30,000

46.6 Scott Marshall, Director of Culture & Enterprise told the Committee that firstly, for staffing in the current year they were holding posts which had become vacant, in order

to offset against the current overspend. Then the proposals for 2010/11 would affect 22 posts, of which 6 were vacancies and there were 12.38 (full-time equivalent) posts which would be deleted.

46.7 When asked how the deletion of these posts would be managed, Mr Marshall explained that, in line with council policy, on the 10th December they had issued two staff consultation documents. The first outlined the general pressures facing the Directorate. The second document contained detailed implications for each team and a timetable for consultation. Copies of these consultation documents were issued to the Unions at a Departmental Consultative Group meeting on 10th December 2009.

46.8 The results of the consultation will be presented to staff on the 18th of January 2010. It was then confirmed that all staff were aware of the proposed changes, with the exception of staff who had been unwell and not at work in the last week. The Committee heard that the Directorate would do all it could to minimise the number of potential redundancies.

46.9 Sally McMahon, Head of Libraries and Information Services clarified what would be the process of transferring the Brighton History Centre services (managed through Museums and Libraries) to Jubilee Library and then to 'The Keep'. The Centre was jointly funded from both the Museum and Libraries budgets. The service was already looking forward to the move which would see all the archived material transferred to 'The Keep'. They wanted to preserve a limited level of access to local and family history resources in the city centre and the Library was the logical place. The main resources to be transferred to Jubilee Library would include online resources, microfiche and microfilm resources, and some of the book stock and heavily used archive materials. Storage there would be possible in spaces such as the rare books room. Access to the bulk of the archive would still be possible by ordering items in advance.

46.10 Mr Marshall explained that on the income side they had identified £190,000 in recognition of the tough financial climate and the need to offset reduced financial income. Janita Bagshawe, the Head of Royal Pavilion & Museums said that they had explored other income generation areas, including the selling of expertise. The intention was to generate £20,000 e.g. through the Security & Fire Manager. However, opportunities were limited in most areas and would provide little return. The service was lucky to have the Royal Pavilion as an attraction, as it allowed for the generation of so much more income that other local authorities could rely on. However, the targets were very high and the achievement of these had been very difficult over the last two to three years. To achieve the targets, service improvements had taken place including a new ticketing system, which would allow for on-line booking in the New Year and also a contact centre, which had led to a reduction in the percentage of calls.

46.11 Ms Bagshawe felt that the service had explored all the key areas for income generation, and it was generally agreed that the focus needed to be on:

- Admission price
- Function hire
- Catering
- Retail

Ms Bagshawe also pointed out that sponsorship and funding through Trusts and Grant giving bodies had become harder to find. Therefore, the Royal Pavilion & Museums was looking to secure funding through individual giving. This would lead to a mixed economy for the budget, comprised of:

- Local authority
- Earned income
- Individual giving

Already, nearly 60% of the budget was earned income, which compared very well to other local authorities. Anne Silley, Head of Financial Services, explained that when setting corporate fees and charging systems they were trying to be as innovative as possible. The Committee felt that they would like to receive a paper in the New Year on the future direction of funding.

46.12 The Committee asked for confirmation of the proposed reduced opening hours for the Booth Museum and the proposals to move items to either the History Centre or other museums. It was an educationally important site that could benefit from a holistic approach rather than piecemeal one. Although the future of the museum had already been looked at before, it was felt to be such a gem and deserved to be the subject of a Scrutiny.

46.13 Mr Marshall said that since 1990 the number of visitors had dropped by 10,000 from c35,000 in 1990 to c25,000 in 2009. He confirmed that the average daily visits (non-school) were as follows:

- Monday – 52
- Tuesday - 42.7
- Wednesday – 39.6
- Friday – 55.6
- Saturday – 96
- Sunday - 46

46.14 Therefore the intention was to maximize the peak days for visiting.

46.15 Ms Bagshawe told the Committee that this issue was in the Museums Strategic Forward Plan and they would be starting a collections review of Natural History in January 2010. The museum housed very significant collections and it was important to look at the, educational use and best places for display.

46.16 Ms Bagshawe explained that there had already been three previous plans to develop the Booth Museum. In the 1980s, the Council explored the possibility of extending the Booth through the purchase of the adjacent house. The cost of this redevelopment would have been £3.5m. In the 1990s a plan to reconfigure the Booth was aborted as it became Listed and the significant alterations would not have got List Building Consent. Funding was then secured in 2000 for a feasibility study. The study concluded that the stored collections were moved out of the Booth, leaving the Booth for display only. The capital costs for this project were £2.5m and there would have been additional revenue costs for the displaced Booth collections. Only 1% of Booth collections are displayed.

46.17 The service planned to re-explore the collections by different themes and could potentially secure funding to pilot this as some funding had recently been announced for Designated Collections. Expressions of interest in the funding had to be submitted by the end of December 2009.

46.18 The Committee felt that it would be useful to have a scrutiny into the Museum, for example looking at issues such as its Natural History Collection, next year.

46.19 Paula Murray, Head of Culture & Economy then confirmed to the Committee that the funding was in place for the Business Forum next year.

46.20 The Committee asked for more detail on the proposed improvements to the modernisation of Jubilee Library services. Ms McMahon said that while it was yet to be decided, they were currently looking at the business case for buying e-books and downloadable music and audio books.

46.21 The Committee enquired what would happen to Castleham Supported Employment Service in one year following the loss of the DWP funding. Ms Murray explained that the budgetary implications of this issue had been included in the budget strategy to Cabinet. It had been agreed to fund a one off allocation of £180,000 to keep the service open during 2010/11 for a transitional period, while careful consideration was given to the options for the future of the service and employment of its staff. For example, to work closely with the proposed kitchen production centre to find alternative employment for staff. Members praised this example as a good piece of partnership working.

46.22 Mr Marshall explained that when proposing the deletion of posts in the Royal Pavilions and Museum, the focus was on delivering Value for Money. This would be assisted by the new ticketing system and, where possible, maintaining front line services. In contrast the efficiency savings last year had focussed on senior staff, which had achieved about £236,000 savings.

46.23 When asked if he had been able to preserve services while making these savings, Mr Marshall told members that our performance in National Indicator 11 was the highest outside London. Our performance was also very good on other customer satisfaction measures. The Committee then asked him if he was confident that the service could perform satisfactorily in 2010/11, given that it depends so heavily on generating income. Mr Marshall drew their attention to the cuts the service had made in order to reinvest, for example to make improvements into the library service.

46.24 Ms Silley explained that systems thinking consisted of looking at all aspects of the service from the point of view of the customer. Each process was examined from the initial inquiry to the outcome, to check whether any task that we had undertaken did not have a purpose. It was a specific management technique which focussed on the customer.

46.25 Adam Bates, Head of Tourism & Venues confirmed that his service could also improve its performance in the areas it has set. It had delivered efficiencies last year, while improving income generation and performance. For example, they had renegotiated catering contracts and improved partnership working on the ticketing system. They have

discontinued the premium rate for contacting the visitor centre and believed they could compensate by achieving increased bookings.

46.26 Members raised the issue of the marketing of venues. Ms Bagshawe informed them that the Old Courthouse was used a reasonable amount, primarily for lectures, due to the way it was funded. Last year the venue was used 64 times, of which 24 were educational events. There were planning restrictions on its conditions of use, regarding opening hours and no amplified noise which could leak to other buildings, that had led it to being primarily used by the Universities.

46.27 The Members were told that there was insufficient space in the venue to build a value generator such as a café. The venue was promoted alongside the Pavilion and the Theatre and the on line ticketing system would give it a presence on the web. The fees and changes for the Old Courthouse had been agreed by the Culture Cabinet in autumn. When asked if the venue broke even, Ms Bagshawe confirmed that the corporate hire fees were set to recover full costs, but not the educational hire charges. The committee agreed that it should consider at a later date the use of the Old Courthouse and other council owned venues, by the Council.

46.28 Mr Marshall said that consultation on these budget proposals had focussed on the management team and cabinet members. Since the information had become publicly available, they had been informing stakeholders such as the Arts Council and the Brighton Dome and Festival.

46.29 Members asked whether increased energy costs had been taken into account. They heard that these costs are looked at monthly and would form the basis of future contract negotiations. Ms Silley had been told by colleagues in Property Services that energy costs are likely to go down.

46.30 Ms Murray described the work that had been done to share support teams in the Directorate. Both her teams had been relocated together and were sharing a number of support staff. A review had been carried out into how the teams could be better supported and the findings have been reported to them. For example, looking at pressurised times in the year, such as two weeks before the White Night Festival.

46.31 Ms Murray told members that the draft Executive Response to the Environmental Industries Scrutiny had informed the allocation of posts. They had just appointed a junior research post and a Section 106 post and were re-examining other posts. The current thinking was that to appoint a sub-sector specific post, every time attention was needed for a particular business sub-sector was not sustainable. Therefore they were more likely to re-cast the Creative Industries Officer post, to give the replacement post responsibility for specific sub-sectoral development such as creative and environmental industries. The findings of the Panel had demonstrated that the needs of both sectors were similar, even though the sectors were at different stages of development.

46.32 Ms Murray then explained that the contract with the Brighton Dome was linked to the RPI, which allowed them to make the saving. Brighton Dome and Festival Ltd were aware of these figures, were making their own significant savings, had appointed a new Head of Development and were planning well for the future.

46.33 David Fleming, Assistant Director of Major Projects, described the collaborative approach being taken between the Falmer Community Stadium, Falmer Academy and the Universities. The individual project managers met as a group on a regular basis to discuss issues such as common footpaths, emergency routes, highway works and proper access. When asked if this could lead to joint procurement, Mr Fleming couldn't see why not, but to some extent this would be determined by timing. Members asked if this good practice could be transferred to Preston Barracks.

46.34 Councillor David Smith stated that the last two years had been difficult for the Sports and Leisure service, particularly due to energy costs which had hit the King Alfred especially hard. They had managed to introduce the free swimming for under 16s and over 60s. They also expected to raise £80,000 from the sale of new beach huts. Ian Shurrock, Head of Sport & Leisure confirmed that the huts are currently subject to a planning application and could sell in the region of £10,000 each.

46.35 Mr Shurrock explained that the rent reviews for the sea front businesses were undertaken individually. They now had an in-house surveyor to carry out the rent reviews of small businesses but needed the specialist expertise of an external surveyor for the large clubs. He explained that the practice of using an external surveyor had been incorrectly reported. The external surveyor had been paid by either a fixed retainer or a fee linked to the increase in rent on certain properties.

46.36 When asked if the businesses had been informed of the rent rises and if they could reach up to £80,000, Ian Shurrock confirmed that the rent increases only applied to those businesses who were due to rise this year, or had rent reviews outstanding. Members emphasised that this could be a sensitive issue for small businesses if they faced a rent increase due to the council not carrying out this task.

46.37 Mr Shurrock told the Committee that Mytime Active (a Social Enterprise not-for-profit trust) from Bromley had been awarded the contract to manage the council's golf courses. They also ran courses in Bexley and Maidstone. This was a ten year contract and could ensure that the savings could be met while securing the future of two golf courses. An exciting part of the contract was a golfing programme it would run for both young people.

46.38 **RESOLVED** – that the above comments on the proposals go onto the Overview and Scrutiny Commission on 26th January 2010.

The meeting concluded at 16.15pm

Signed Chair

Dated this day of