

**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), Hawkes, Marsh and Taylor

**Co-opted Members:**

**PART ONE**

**44. PROCEDURAL BUSINESS**

**44a. Declarations of Substitutes**

44a.1 Mo Marsh for Craig Turton  
Keith Taylor for Amy Kennedy

44a.2 Apologies were sent from Averil Older  
Apologies were sent from Carol Theobald

**44.b Declaration of interests**

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

**44.c Exclusion of press and public**

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 1001 (!) of the said Act.

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

**45. CHAIRMAN'S COMMUNICATIONS**

The Chairman said that this was the first time that CTEOSC had considered the budget prior to Council. The comments made by CTEOSC would be forwarded to the Overview and Scrutiny

Commission for its budget meeting on 26<sup>th</sup> January 2010 and then on to 11th February Cabinet.

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 The Chairman said he had already heard the details of the budget report and the appendices at Cabinet on 9<sup>th</sup> December. He then asked members to direct their questions after they had heard from both Councillor Smith and Councillor Kemble.
- 46.2 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. It wanted to concentrate on its core activities and increase value for money, for example by increasing sponsorship. The Directorate was also looking at innovative ways of delivering services such as transforming community libraries into hubs. They were 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.
- 46.3 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. The Directorate faced a number of service pressures including a £360,000 shortfall due to the downturn in the economy. In addition they had £180,000 grant funding coming to an end. They planned to use reserves to give them time to plan how to meet the effect of the ending of the grant funding. 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 4pm), alongside opening for pre-booked times. The History Centre would be moved to 'The Keep', which would increase its opening hours when at Jubilee Library. The re-location of the Centre would also free up exhibition space, which could be used to house exhibits from the Booth Museum.
- 46.4 Cllr Ted Kemble told the Committee that his service areas were seeking to make the following savings:
- Reducing the contribution to the Brussels office to £2,000, making £4,000 savings
  - 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
- 46.5 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.

46.6 When asked how the deletion of these posts would be managed, Mr Marshall explained that in line with council policy on the 10<sup>th</sup> 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 sent to the Unions.

46.7 The results of the consultation will be presented to staff on the 18<sup>th</sup> 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.

46.8 Sally McMahon, Head of Libraries and Information Services clarified what would be the process of transferring the History Resource Centre 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 display in the city centre and the Library was the logical place. Therefore they would only be transferring the limited material that would go on display in the Library to that location. Storage there would be possible in spaces such as the rare books room. Access to the archive would still be possible by ordering it.

46.9 Mr Marshall explained that on the income side they had identified £90,000 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 intended to generate £20,000 by selling their expertise, for example in curating. However, this had very limited possibilities and would take away time from existing curating work. It was very lucky to have the Pavilion. Although it was an attraction which could generate so much more income than other local authorities could rely on, it did have very high income targets. This pressure has existed for the last two to three years. The new ticketing system, which meant you could book on-line from the New Year would reduce the percentage of lost calls.

46.10 Ms Bagshawe felt that the service had explored all the key areas for income generation, including:

- Admission price
- Function hire
- Catering
- Retail

Sponsorship had suffered a lot in the current financial difficulties and firms who used to give a lot, were giving much less. Therefore, they were looking at individual giving, such as legacies. This would lead to a mixed economy for the Pavilion:

- Sponsorship
- Individual giving

- Local authority funding

This meant that that nearly 60% 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.

46.11 The Committee asked for confirmation of the proposed 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.

46.12 Mr Marshall said that since 1990 the number of visitors had dropped by 10,00 from 35,000 in 1990 to 25,000 in 1999. He confirmed that the average daily visits (non-school) were as follows:

- Monday – 52
- Tuesday - 42.7
- Wednesday – 39
- Friday – 55
- Saturday – 96
- Sunday - 46

46.13 Therefore the intention is to maximize the peak days for visiting.

46.14 Ms Bagshawe told the Committee that this issue was in the Museum forward plan and they would be starting a collectors' review of natural history in January 2010. The museum housed very significant collections and it was important to look at its use, educational use and how to make it the best place to be.

46.15 She explained that there had already been three previous attempts to optimise the use of the Booth Museum. In the 1980's the Council explored the possibility of purchasing the house next door to the Museum, which had proved financially impossible at a cost of around £3m then. In the 1990's they had sought to reconfigure the site. However the building was then listed, which meant that the alterations could not be carried out. Funding was then secured in 2000 to look at how to make the best use of collections, given that only 1% of the exhibits were on display. It was estimated that it would cost £1.5m to turn into a visiting experience. The Service would still like to re-explore the collections e.g. by themes, designated collections. Funding could be gained for this, but they would have to submit an expression of interest by the end of December.

46.16 The Committee felt that it would be useful to have a scrutiny into the Museum next year.

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

- 46.18 The Committee asked for more detail on the proposed improvements to the modernisation of Jubilee Library. 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.
- 46.19 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 this issue had been to Cabinet and it had been agreed to fund a one off allocation of £180,000 to buy up extra time (of between 12-18 months) to enable alternative places of supported employment to be found. For example the Council was establishing a supported kitchen development facility. The posts would be ring fenced for people with learning difficulties, in particular appointing people from Castleham. Members praised this project as a good piece of partnership working.
- 46.20 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.
- 46.21 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. Scott Marshall drew their attention to the cuts the service had made in order to reinvest, for example to make improvements into the library service.
- 46.22 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.
- 46.23 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.
- 46.24 Members raised the issue of the marketing of venues. Ms Bagshawe informed them that the Old Courthouse was used a reasonable amount, primarily for lecture 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.
- 46.25 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 felt it should consider at a later date, the usage of such venues by the Council itself.

- 46.26 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.
- 46.27 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.
- 46.28 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.
- 46.29 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 post was not sustainable. Therefore they were keeping vacant the creative industries officer post, to give the replacement post responsibility for both 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.
- 46.30 Ms Murray then explained that the contract with the Brighton Dome is linked to the RPI, which allowed them to make the saving. Brighton Dome and Festival Ltd were aware of these figures and were making 20% staffing cuts and appointing a new development. Therefore they were planning well for the future.
- 46.31 David Fleming, Assistant Director of Major Projects described the collaborative approach being taken between the Falmer Community Stadium, Falmer Academy and the Universities. They were members of an internal group which met regularly to discuss issues such as footpaths, highway works and proper access. When asked if this could lead to joint procurement, Mr Fleming couldn't see why not. Members asked if this good practice could be transferred to Preston Barracks.
- 46.32 Councillor David Smith believed 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 particularly hard. They had managed to introduce the free swimming for under 16s and over 60s and increase their income from outdoor events by £10,000. 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 expected to be ready for next summer and cost approximately £10,000 each.

- 46.33 Mr Shurrock explained that the rent reviews for the sea front businesses were undertaken individually which has led to the backlog. They now had an in-house surveyor to carry out the rent reviews of small businesses but needed the greater expertise of external surveyors for the large clubs. He explained that the practice of using external surveyors had been wrongly reported and they had been paid a fixed retainer to carry out surveys. Their fees had not been tied to rent increases.
- 46.34 When asked if the businesses had been informed of the rent rises and if they could reach up to £80,000, Ian Shurrock promised to clarify the issue to the Committee after the meeting. He also confirmed that the rent increases only applied to those businesses who were due to rise this year, it was not a blanket increase. Members emphasised that this could be a sensitive issue for small businesses if they faced a rent increase and a five year backlog due to the council not carrying out this task.
- 46.35 Mr Shurrock told the Committee that Mytime Active who had been awarded the golfing contract were based in Bromley and 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 women and men.
- 46.36 **RESOLVED** – *that the above comments on the proposals go onto the Overview and Scrutiny Commission on 26<sup>th</sup> January 2010.*

The meeting concluded at 16.15pm

Signed

Chair

Dated this

day of