

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT OF THE CORPORATE DIRECTOR COMMUNITIES

COMMUNITY ENVIRONMENT AND LEISURE OVERVIEW AND SCRUTINY COMMITTEE

26 JANUARY 2017

CULTURAL PARTNERSHIP - AWEN CULTURAL TRUST

1. Purpose of the Report

- 1.1 The purpose of the report is to update the Overview and Scrutiny Committee on the performance and progress of the Council's partnership with Awen Cultural Trust (the Trust) since it was established to manage a range of cultural services and facilities on behalf of the Council, with effect from October 2015.

2. Connection to Corporate Improvement Objectives/ Other Corporate Priorities

- 2.1 The provision of cultural services plays a vital role in the wellbeing of communities across the County Borough of Bridgend.

3. Background

- 3.1 The Community Environment and Leisure Overview and Scrutiny Committee received a report on 23rd March 2016 updating the Committee on the progress made by the Trust in the first five months since it had been established in October 2015. The Committee requested that they receive a further report when the partnership with Awen was more mature and there would be a better opportunity to assess the progress that the Trust had made with regard to the delivery of the main Council priorities set out in the Partnership Agreement between the Council and the Trust, and for which the Trust receives an annual payment to manage a range of cultural services and facilities on behalf of the Council.
- 3.2 Both that report to the Overview and Scrutiny Committee in March 2016 and previous reports to the Council's Cabinet on 13th January 2015 and 1st September 2015, set out the approved basis for the establishment of a 'not for profit' Cultural Trust and the range of services it was intended to manage.
- 3.3 The previous report to the Overview and Scrutiny Committee concluded that the Council's partnership with Awen Cultural Trust had made very positive progress in its initial 5 months of existence, particularly in view of the fact that it was recognised that establishing a brand new independent organisation without any 'shadow' period was a huge undertaking.
- 3.4 The March report to Overview and Scrutiny set out that a high calibre Board of Trustees had been appointed to oversee Awen, with a mix of skills from both the business community and those with local interest and knowledge. The Council is

restricted to a twenty percent representation on that Board. The two Council representatives are currently Councillors John McCarthy and Jeff Tildesley. Importantly therefore it is the role of the Trustees to be accountable for the overall performance and direction of the Trust and not the Council as it is an independent organisation with charitable status.

- 3.5 However, the Partnership Agreement is the key document that governs the relationship between the Council and the Trust, and this includes the main provisions and parameters with regard to service, pricing, planning, development and management. In addition a cultural partnership outcomes framework and key performance indicators have been agreed between the Trust and the Council. The Trust are responsible for collecting and collating both quantitative and qualitative data including that relating to the Welsh Public Library Standards (WPLS) for the statutory library service which the Trust manage on the Council's behalf. The outcome framework can be reviewed periodically to reflect the priorities of the Council and to direct the Trust towards those issues and matters that the Council deems to be most important in terms of the impact of its Cultural Provision.
- 3.6 The main priorities for the Trust are agreed in an annual service plan which the Trust presents for the Council's approval. The Chief Executive of the Trust and the Corporate Director of Communities meet monthly to discuss performance issues and the Trust produce a quarterly update based on the agreed service plan for review. This contains both some quantitative data but importantly also some commentary on the various activities and what has been achieved to allow some qualitative analysis and assessment of the Trust's performance. The most recent Quarterly update relating to Quarter 2 of 2016/17 is included as **Appendix 1** for information and is discussed in the next section of the report.

4. **Current Situation**

- 4.1 The service plan update outlines and demonstrates progress against the various high level BCBC cultural aims, and the agreed 5 year commissioning outcomes. The detail is set out in **Appendix 1** but in summary the service plan evidences that the Trust continues to perform well across a broad range of measures based on current outcomes framework and performance indicators.
- 4.2 There have been a number of highlights including; Installing a new box office system at the Grand Pavilion, shortly to also be rolled out at Maesteg Town Hall and Bryngarw Park to improve customer experience; a new partnership arrangement with Bridgend Town Council to deliver a programme of arts activity from 2017 onwards; a very successful programme of Roald Dahl activities during the summer holidays; local history exhibitions; Heritage walks in partnership with Communities First; a summer reading challenge attracting nearly 3000 children including a significant percentage from Communities First areas; a variety of seasonal events including a programme of children's theatre and literature inspired events in Bryngarw Park; a further 88 young people from the County Borough participated in this years 'It's My Shout' scheme offering developmental opportunities in the creative industries; a programme of digital skills and drop in sessions again targeted on Communities First areas; Children's film clubs; Welsh language discussion and reading groups; a summer celebration event at

B leaf (including Wood B trainees); work with local dementia groups to offer targeted library services to dementia sufferers and their families.

4.3 The report to Cabinet in November 2016 in addition set out the current performance against the fifth framework of Welsh Public Library Standards (WPLS), demonstrating how improvements in a number of areas had enabled 17 of the 18 current standards to be met. Benchmarking of performance in the Cultural Services is notoriously difficult (particularly in the Arts) as the type and quality of provision varies enormously between different local authorities. However, the WPLS can be benchmarked and the current performance of libraries in Bridgend is in the top quartile in a number of important areas. The analysis showed customer satisfaction is at 97% overall across approximately 450,000 visits and issuing over 450,000 items of stock. The service registered 5,744 new members taking overall registered members to 74,706. The cost of staff as a percentage of overall spend was very low and the overall net cost per visit at £2.58 was at about the average in Wales.

4.4 Furthermore the Council has worked with the Trust to achieve the £250,000 Medium Term Financial Savings (MTFS) for 2016/17 while keeping open all facilities and continuing to ensure that services are accessible and affordable. Other than inflationary increases in line with the Partnership Agreement provisions and some small charges that have been 'tidied up', the charges that Awen set are predominantly the same as those the Council set pre-transfer. With regard to the Grand Pavilion a 1.5% inflationary increase was applied to the existing fee structure that transferred over from the Council on 1st April 2016. The situation is a little more complicated at Maesteg Town Hall but the headlines are set out below:

Prior to the 1st April 2016, the hire fees were as follows:

Basic 4 hour show hire £350+VAT
Basic 4 hour rehearsal hire £150+VAT
Charge for setting up decking £25+VAT
Charge for numbered (reserved) seating £20+VAT
Charge for consumables (tape, lighting gel, etc.) £25+VAT

It should be noted that the above fees had been static for many years with no annual inflationary adjustments made. Additionally, the basic show hire fee had actually been reduced from £400 to £350 (by the previous management committee) 2 to 3 years ago.

These fees were applied to all types of hire, including bookings taken from community groups, as well as from commercial organisations. Clearly this was not good business practice, in that it was unfair for community groups to be paying the same as a commercial operator, and equally Maesteg Town Hall was selling itself short by hiring to commercial organisations at 'not for profit' prices.

There were also a number of sundry charges applied to the vast majority of hire bookings:

Decking set up £25+VAT
Numbered seating £20+VAT

Consumables £25+VAT

Therefore the total hire fee due for a typical show (for example a choir concert) was £350 + £25 + £20 + £25 = £420+VAT

As of 1st April 2016, the basic 4 hour show hire was revised to £395+VAT for community/'not for profit' organisations. However, the above sundry charges were deleted from the fee structure. They were removed because they were difficult to administer and explain to customers. The main point is that the net fee for a typical community group hire as of 1st April 2016 is now £395+VAT (a reduction of £25).

The Trust has also reduced the cost of a basic 4 hour dry hire of the venue from £200+VAT down to £110+VAT for community/'not for profit' groups.

The Trust has also introduced a three band system for fees, where Commercial operators (such as a promoter wishing to hire the hall for a commercial activity) pay more than a community/'not for profit' group. There is a middle fee band, intended for public sector organisations (publically funded).

Some fees, such as 4 hour rehearsal time blocks have incurred an increase (£150 to £195 for community/'not for profit') but it should be noted that there are only a handful of groups that actually take advantage of rehearsal time.

4.5 Inevitably a lot of time and resource in both the Trust and the Council has also been expended on working up plans and the relevant business cases to bid for external funding to redevelop Maesteg Town Hall into a financially sustainable and attractive facility and a cultural hub designed to increase the footfall and vibrancy of that part of the Town Centre. Similar plans are also being explored to create a 'Cultural Hub' based at the Grand Pavilion in Porthcawl. These projects as well as being really important as a means of developing sustainable cultural facilities will also allow the Trust a better opportunity moving forward to meet any further MTFS savings without cutting back on other services and closing facilities.

4.6 The Council's agreed cultural aims to:

- promote, celebrate and champion the County Borough's rich cultural heritage,
- employ culture as a means of supporting and enriching formal learning,
- support and develop the growth of the creative industries and the cultural sector as key contributors to the local economy,
- tackling poverty by widening access and routes to participation and quality cultural experiences
- inspire people to develop to their full potential and through culture make people's lives better and more fulfilled
- develop a sustainable cultural offer based on delivering relevant and value for money provision

are therefore being achieved by ensuring the 5 year commissioning outcomes are delivered, which are measured and monitored by assessing the activities and programmes that Awen put on.

4.7 The client responsibility for the Awen Trust within the Council is due to transfer to the Wellbeing Directorate with effect from April 2017. A 'handover' period is currently being worked through and this will include agreeing shortly the annual service plan for 2017/18.

5. **Effect upon Policy Framework and Procedure Rules**

5.1 There is no effect upon the Policy Framework and Procedure Rules.

6. **Equality Impact Assessment**

6.1 A full Equalities Impact Assessment was completed with regard to the transfer of Cultural Services to Awen Cultural Trust. The Partnership Agreement and outcomes framework obligates the Trust to maximise participation in cultural activities by all sections of the local community regardless of age, earnings or ability, including those groups with protected characteristics.

7. **Financial Implications**

7.1 The 2016/17 management fee for Awen is £3,184,296. This is after taking account of the £250,000 Medium Term Financial Strategy savings for 2016/17. A further £101,000 in savings is proposed in 2017/18.

8. **Recommendation:**

8.1 That the Overview and Scrutiny Committee note the positive progress of the Council's partnership with the Awen Cultural Trust over the first year since its establishment in October 2015.

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Background Documents:
CEL OVSC Report 23rd March 2016
Cabinet Report 1st September 2015
Cabinet Report 13th January 2015