

Report to:	SHAREHOLDER'S ADVISORY BOARD
Relevant Officer:	Alan Cavill, Director of Place
Date of Meeting:	5 April 2018

CULTURE RELATED SERVICE DELIVERY OPTIONS

1.0 Purpose of the report:

- 1.1 To update Board members on the appraisal of various options for the delivery of cultural related services including Illuminations, Arts Service, Visitor Services, Events and Marketing together with the LeftCoast arts participation team.

2.0 Recommendation(s):

- 2.1 To consider the report and make any comments as necessary.

3.0 Reasons for recommendation(s):

- 3.1 To consider the views of the Advisory Board before any further consideration is undertaken.

- 3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? **No**

- 3.2b Is the recommendation in accordance with the Council's approved budget? **Yes**

- 3.3 Other alternative options to be considered: The current situation is to look at all the options and the reason for this report is to seek the views of the Advisory Board.

4.0 Council Priorities:

- 4.1 This contributes to both Council Priorities:
- Economy – maximise growth and opportunity across Blackpool
 - Communities – create stronger communities and increase resilience

5.0 Background Information

- 5.1 The creation of a company covering the Illuminations, Arts Service, Visitor Services, Events and Marketing together with the LeftCoast arts participation team ("Newco") was first mooted as part of savings proposals for 2016/17. The context, drivers, potential scope, and rationale for creating Newco have been explored since this time, with an appraisal now being undertaken to help establish a clear way forward for the proposals.

- 5.2 The primary drivers behind the Newco proposal were to:

- Provide efficiency savings for the Council;
- Guarantee the future of the Illuminations, Arts Service, and Grundy Art Gallery;
- Provide a suitable organisational structure for LeftCoast to develop, in particular, to ensure a suitable vehicle exists to continue the delivery of future grants from Arts Council England - such as further funding for the existing Creative People and Places Programme and a potential bid for National Portfolio Organisation status.

5.3 Further opportunities and benefits would include:

- The development of a unique visitor offer which integrates arts, culture and mass events, which broadens our appeal to new types of visitor;
- The potential to modernise aspects of service delivery;
- Further integration of service delivery to develop a coherent visitor offer;
- Enhanced work in the community to encourage arts participation.

5.4 In this way, the model would essentially support the delivery of the Council's vision and both of its priorities, whilst safeguarding the services involved and assisting with the Council's ongoing financial sustainability. Feedback from other UK cities suggests that developing an extra dimension to the town's entertainment offer would be crucial in broadening the appeal of the new Winter Gardens conference centre to markets not usually attracted to the town.

5.5 The initial financial model developed was based on the award of Great Places funding to the Council, with the funding bid also incorporating receipts from the Council's car parks, minus the cost of service delivery which would remain in-house. Despite ongoing support and positive feedback from the Arts Council, which also suggested including the Schools Music Service in the proposal, the bid was not successful. Without this additional source of funding, the appraisal has identified that making the financial model sustainable would require the generation of further income.

5.6 An alternative option could instead use the establishment of a town-wide Business Improvement District as the primary vehicle, into which services could be incorporated. The current BID covers the town centre and raises money from a precept of 1% of business rates which is spent on promotion, environmental measures and town centre events. Extending the BID to cover the whole town would significantly increase the BID's income. Potential support from this could come from Business In The Community as part of its Pride in Blackpool project.

5.6 The synergies between the BID's aims and the original aims of the Newco means that a structure based around the BID could potentially deliver a sustainable business plan. However, such a structure would involve a ballot of the businesses affected and inevitably carries a degree of risk.

5.7 In addition to the development of a sustainable budget proposal, both a Newco and an evolution of the BID would be subject to further work understanding the implications for staff, the treatment of assets, suitable monitoring and evaluation arrangements, confirmation of the degree of autonomy afforded for decisions on car parking policy and approval from external funders (principally the Arts Council). Further discussions would also be held with stakeholders to discuss the practical implementation of the new arrangements.

- 5.8 The final option likely to emerge from the report is to continue with current arrangements for service delivery. However, given the financial position of the Council over the next few years as described in the Medium Term Financial Sustainability Strategy, the Council would inevitably be faced with questions over how it could continue to support non-statutory services whilst the need to deliver statutory services to at least a minimum level remain.
- 5.9 Does the information submitted include any exempt information? **No**
- 6.0 Legal considerations:**
- 6.1 None
- 7.0 Human Resources considerations:**
- 7.1 None
- 8.0 Equalities considerations:**
- 8.1 None
- 9.0 Financial considerations:**
- 9.1 None
- 10.0 Risk management considerations:**
- 10.1 None
- 11.0 Ethical considerations:**
- 11.1 None
- 12.0 Internal/ External Consultation undertaken:**
- 12.1 Not applicable
- 13.0 Background papers:**
- 13.1 N/A