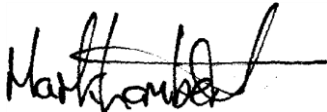


SUMMONS

To the Mayor and Members of Carlisle City Council

You are summoned to attend the Meeting of Carlisle City Council which will be held on **Tuesday, 05 January 2021 at 18:45**, **This meeting will be a virtual meeting and therefore will not take place in a physical location.**



Corporate Director of Governance and Regulatory Services

AGENDA

Virtual Meeting - Link to View

This meeting will be a virtual meeting using Microsoft Teams and therefore will not take place at a physical location following guidelines set out in Section 78 of the Coronavirus Act 2020.

1. **The Mayor will invite the Chaplain to say prayers.**

2. **Register of Attendance and Declarations of Interest**

The Town Clerk and Chief Executive will open the meeting by calling the roll; and at the same time Members are invited to declare any disclosable pecuniary interests, other registrable interests and any interests, relating to any item on the agenda at this stage.

3. Minutes

The Council will be asked to receive the Minutes of the meetings of the City Council held on 13 October; 3 November and 1 December 2020.

4. Public and Press

To determine whether any of the items of business within Part A of the Agenda should be dealt with when the public and press are excluded from the meeting.

To determine whether any of the items of business within Part B of the Agenda should be dealt with when the public and press are present.

5. Announcements

- (i) To receive any announcements from the Mayor
- (ii) To receive any announcements from the Leader of the Council
- (iii) To receive any announcements from Members of the Executive
- (iv) To receive any announcements from the Town Clerk and Chief Executive

6. Questions by Members of the Public

Pursuant to Procedure Rule 10.1, the Corporate Director of Governance and Regulatory Services to report that no questions have been submitted on notice by members of the public.

7. Presentation of Petitions and Deputations

Pursuant to Procedure Rule 10.11, the Corporate Director of Governance and Regulatory Services to report that no petitions or deputations have been submitted by members of the public.

8. Questions from Members of the Council

Pursuant to Procedure Rule 11.2, the Corporate Director of Governance and Regulatory Services to report that no questions have been submitted on notice by Members of the City Council

9. Minutes of the Executive

The Council will be requested to receive the Minutes of the meetings of the Executive held on 9 November; and 7 and 14 December 2020 and ask questions of the Leader and Portfolio Holders on those Minutes.

10. Executive - Portfolio Holder Reports

The Council will be asked to receive reports from the following Portfolio Holders:

- | | |
|--|----------------|
| (i) <u>Culture, Heritage and Leisure</u> | 7 - 8 |
| (ii) <u>Communities, Health and Wellbeing</u> | 9 - 12 |
| (iii) <u>Environment and Transport</u> | 13 - 16 |
| (iv) <u>Economy, Enterprise and Housing</u> | 17 - 20 |
| (v) <u>Finance, Governance and Resources</u> | 21 - 22 |
| (vi) <u>Leader's Portfolio</u> | 23 - 26 |
- and ask questions of the Leader and Portfolio Holders on those Reports.
(Copy Reports herewith)

11. Minutes

The Council will be asked to receive the Minutes of the meetings as detailed within Minute Book Volume 47(4); and ask questions of the Leader, Portfolio Holders and Committee Chairs.

For ease of reference the Minutes are:

| Committee | Meeting Date |
|--|--------------------------------|
| Health and Wellbeing Scrutiny Panel | 8 October and 19 November 2020 |
| Business and Transformation Scrutiny Panel | 15 October and 1 December 2020 |
| Economic Growth Scrutiny Panel | 26 November 2020 |
| Regulatory Panel | 18 November 2020 |

| | |
|-------------------------------|---------------------------------|
| Licensing Committee | 18 November 2020 |
| Development Control Committee | 7 and 9 October and 6 November |
| Appeals Panels | 21 October and 20 November 2020 |
| Standards Committee | 10 December 2020 |

12. **Scrutiny**

The Council will be asked to receive reports from the following:

- (i) **Chair of the Health and Wellbeing Scrutiny Panel** **27 - 28**
- (ii) **Chair of the Business and Transformation Scrutiny Panel** **29 - 30**
- (iii) **Vice-Chair of the Business and Transformation Scrutiny Panel** **31 - 32**
- (iv) **Chair of the Economic Growth Scrutiny Panel** **33 - 34**
(Copy Reports herewith)

13. **Notice of Motion**

Pursuant to Procedure Rule 12, the Corporate Director of Governance and Regulatory Services to report that no motions have been submitted on notice by Members of the Council.

14. **Proposals from the Executive in relation to the Council's Budget and Policy Framework**

- (i) **Dates and Times of meetings 2021/22** **35 - 56**
Pursuant to Minute EX.156/20, to consider recommendations from the Executive that the City Council approve the dates and times of meetings of the City Council and Committees for the Municipal Year 2021/22 as set out in the Schedule attached to Report GD.05/21;

and note the dates and times of meetings of the Executive as chosen by the Leader.

(Copy Report GD.02/21 and Minute Extract herewith)

(ii) Tullie House Business Plan 2021/22 57 - 160

Pursuant to Minute EX.121/20 and EX.158/20, to consider recommendations from the Executive concerning the Tullie House Museum and Art Gallery Trust Business Plan 2021/22 as detailed in Report CS.04/21.

(Copy Report CS.04/21 and Minute Extracts herewith)

15. Statement of Licensing Policy 2021-2026 161 - 200

Pursuant to Minute LC.18/20 and LC.23/20, to consider a recommendation from the Licensing Committee that Council adopt the final draft of the Statement of Licensing Policy 2021-2026.

(Copy Report GD.03/21 and Minute Extracts herewith)

16. Committee Nominations

The Council to note and approve changes in the Conservative Group membership (to be announced by the Group Leader at the Council meeting) on the following Committees:

Development Control Committee
Regulatory Panel and Licensing Committee

The Council to note and approve changes in the Labour Group membership (to be announced by the Group Leader at the Council meeting) on the following Committees:

Development Control Committee
Regulatory Panel and Licensing Committee
Standards Committee

17. Operation of the Provisions Relating to Call-in and Urgency 201 - 204

Pursuant to Overview and Scrutiny Procedure Rule 15 (i), the Corporate Director of Governance and Regulatory Services to report on the operation of call-in and urgency procedures.

(Copy Report GD.06/21 herewith)

18. Communications

To receive and consider communications and to deal with such other business as may be brought forward by the Mayor as a matter of urgency, in accordance with Procedure Rule 2.1(xv) to pass such resolution or resolutions thereon as may be considered expedient or desirable.

PART 'B'
To be considered in private

- NIL -

Meeting Date: 5th January 2021

Public/Private*: Public

Title: **Culture, Heritage & Leisure Portfolio Holder's Report –
Councillor Stephen Higgs**

TULLIE HOUSE

The Museum reopened on Thursday, 3rd December and we have a number of festival family activities planned throughout the month, including a sold out socially-distanced Santa's Grotto!

CUMBRIA MUSEUM OF MILITARY LIFE

Cumbria's Museum of Military Life reopened on Saturday, 5th December.

TOURISM / DISCOVER CARLISLE

The Discover Carlisle Team has once again been working to re-open the high street safely following the second lockdown. A 'shop local' campaign has run alongside the re-opening of the high street work, encouraging residents to support local businesses and use our high streets for their Christmas shopping.

The Discover Carlisle Team supported a production company producing the Channel 5 programme 'World's Most Scenic Railway Journeys'. The programme focuses on the Settle-Carlisle Railway.

CULTURE AND EVENTS

Following the launch of the Carlisle Culture Strategic Framework last month, the Partnership is currently seeking candidates to join a new Interim Development Group to develop delivery of the Framework.

Cumbria Arts & Culture Network

The network for arts and culture individuals and organisations continues to grow, providing support for practitioners across the County. A key area of activity at present is helping members adapt to operating during Covid-19.

LEISURE SERVICES

Following the end of the second lockdown, The Pools and The Sands Gym @ Newman reopened, albeit continuing with limited opening times. More details of service times can be found through our leisure provider's website <https://www.better.org.uk/leisure-centre/carlisle>

Stonyholme Golf Course has also reopened with the front 9 holes currently playable. More details can be found at <https://www.stonyholmegolfcarlisle.co.uk/>

CARLISLE'S ROMAN HERITAGE TOURISM APPRAISAL

- The City Council has commissioned an options appraisal and feasibility study into the potential interventions and investments that might help to develop Carlisle's Roman Heritage tourism offer.
- The study will identify ways in which the tourism potential of Carlisle can be unlocked by developing its Roman Heritage offer with a specific focus on:-
 - Positioning Carlisle as a gateway to the Hadrian's Wall World Heritage Site
 - Bringing alive the largely invisible heritage of Roman Carlisle
 - Attracting new audiences that don't currently engage with the World Heritage Site or the heritage of Carlisle
 - Complementing existing heritage attractions and encouraging visits to these existing attractions
 - Contributing to the vitality and viability of Carlisle city centre
- This commission will be a two-stage process that identifies:
 - (1) The strengths and weaknesses of the current heritage tourism offer on the western side of Hadrian's Wall
 - (2) A list of potential interventions and investments that will enable the Council to capitalise on opportunities being presented by the Borderlands Growth Deal Hadrian's Wall investment programme.

SANDS CENTRE REDEVELOPMENT

The main contract for the Sands Centre Redevelopment started on the 23rd November. This is the start of the 98-week development programme for the demolition and building work for the new enhanced leisure facilities.

The services have been diverted to enable the existing site to be split between the new build and existing event hall. The demolition side has been stripped of all fixtures and fittings (which were segregated for recycling) and the roof tiles removed.

The main demolition work will begin in January followed by laying the foundations for the new building and swimming pool.

Meeting Date: 5th January 2021

Public/Private*: Public

Title: **Communities, Health and Wellbeing Portfolio Holder's Report –
Councillor Elizabeth Mallinson**

CARLISLE COMMUNITY RESILIENCE GROUP

Carlisle Community Resilience Group was established in March 2020 and to date continues to meet regularly (currently every other week), working with Partners to support resilience work, recovery and cascade key information top down and bottom up. The response from Partners and particularly the community across Carlisle continues to be amazing.

A wide range of community partners, organisations and groups remains jointly chaired by Cumbria County Council and Carlisle City Council. The group continues to operation on a task / action bases and ensuring effective communication between agencies (both top down and bottom up).

Subgroups below CaCRG. are working on key themed areas. These subgroups have been carefully structured on intelligence, data and consultation with stakeholders.

1. **Children and Families** (key updates include: A think family approach focused on early intervention, It's NOT OK Campaign, establishment of 4 Task Groups)
2. **Community Emergency Response Groups** (Key updates include: supporting community food provision, Children holiday activities, two winter resilience events, supporting partnership funding bids)
3. **Health and Wellbeing** [WHO Carlisle Health Forum] (Key updates include: Development of digital online collaborative space, Mental health directory, Healthy weight Task Group scoping, Shielding support, Action Plan development)
4. **Welfare and Hardship** (Key updates include: Development of SharePoint, refreshed TOR, development of partner priorities, support and promotion of Covid Business Grants).

DOMESTIC ABUSE CODE OF GUIDANCE DRAFT AMENDMENTS

The Domestic Abuse Bill is passing through the Parliamentary process and will introduce a new category of priority need which effectively removes the 'vulnerability' test for those

who are homeless as a result of being a victim of domestic abuse. Draft amendments to the Homelessness Code of Guidance have been made so that local authorities can begin to prepare for the change ahead of commencement of the legislation, which should include providing appropriate training to staff.

A Domestic Abuse Local Strategic Partnership Board is already established, which reports to Safer Cumbria, and will provide advice in performing certain specified functions including: to assess the need for support for all victims of domestic abuse and their children within safe accommodation and prepare and publish strategies based on the needs assessment; deciding what support services are required and commissioning these accordingly. The Homeless Prevention and Accommodation Services Manager has ensured the draft homelessness prevention priorities contained within the strategy for 2021 - 2026 are aligned with local and national Domestic Abuse strategies where relevant and is represented on the Local Partnership Board.

DISABLED FACILITIES GRANTS

Loren Nicholson our new Disabled Adaptation Trusted Assessor and Amelia Morphet the Service Manager for DFGs from the Housing and Pollution Team, took part in an online presentation organised through Foundations, the governing body for Disabled Facilities Grants. They presented to over 350 online participants at the event in October, showcasing Carlisle City Council as an organisation with a leading DFG service. Since the presentation Officers have been assisting other Local Authorities who were interested to hear our story and the way the service has developed.

Since the Disabled Adaptation Trusted Assessor started fully in their role in July 2020, they have dealt with 36 cases, carrying out 23 in home assessments and making 18 referrals back to other organisations for additional assistance. We have turned around some referrals within days, by using the new post and the new independent living grants. We have also been linking with the third sector and health more proactively to provide information about the services on offer to assist the more vulnerable in our communities.

HEALTHY CITY TEAM - Active Spaces

Tribune Drive Play Area – following a successful community consultation in the summer a tendering process was conducted based on the preferences of residents and Kompan Scotland were selected as the successful supplier for new play equipment at Tribune Drive, Houghton. The new play equipment was installed in November, following which our drainage contractor, Waitings Ltd, have been on site installing a new network of land drains in and around the play area. New rubber ‘wet pour’ and wood chip safety surfacing has since been installed and the site is due to be opened for public use imminently.

Hammonds Pond Play Area – tenders for the supply and installation of new play equipment and safety surfacing for Hammonds Pond, Upperby are currently out for quotations. The tenders were guided by the extensive feedback received in a public consultation which was conducted in Autumn. Residents and park users requested that the new play equipment be robustly built, installed on surfacing which does not flood or

become muddy and accessible by children of all abilities. The tenders therefore include upgrades of the safety surfacing on site together with the inclusion of a number of items on which children of all abilities (including wheelchair users) can play together. It is hoped that site works will commence in spring.

Dale End Field Pump Track – consulting engineers working on behalf of the Council are finalising plans for a brand new ‘pump track’ to be constructed on Dale End Field, Harraby. Pump tracks are designed for users of BMX bikes, scooters and even skateboards to develop their skills and improve their fitness and social skills. An application for full planning permission will be submitted once plans are received and construction is planned for Spring/Summer 2021. Funding for the track was raised by members of the local community working with Council Officers.

Thriving Communities

The City Council is working in partnership with a variety of organisations to put together a collective bid to the £1.4 million pound Thriving Communities Fund. Maximum grants of up to £50,000 will be available from this fund, which is being delivered by Arts Council England, with £1.15 million via National Academy for Social Prescribing, from the Department of Health and Social Care and £250,000 from Arts Council England, funded by the National Lottery. The deadline for bids is 8th January 2021. If successful, this will allow us to extend existing good work around arts and culture for health and wellbeing. The funding is for activities that will increase social connectedness and help communities cope with the impact of the coronavirus/COVID-19 pandemic.

WHO Healthy Cities Annual Business & Technical Conference

We were very pleased that three Carlisle based studies were used as part of the year’s annual conference showcasing some of the innovative work being delivered through the Healthy City Forum. The three case studies are:

- Food Aid in times of pandemic [Food aid in times of pandemic UNK-Carlisle-001 \(1\)\(1\).pptx](#)
- WHO cares about culture, health & wellbeing? [WHO Cares about Carlisle Culture Dec2020.pptx](#)
- Learning through practice—to Talk. [WHO Space to Talk presentation.pptx](#)

Social Prescribing

We continue to work closely with our NHS Social Prescribing link workers and other partners to develop opportunities. This included developing an Expression of Interest submitted to the Green Social Prescribing Programme in late October. A strong partnership involving NHS; Public Health Cumbria; Cumbria Wildlife Trust; Community Centres and Greenwich Leisure Limited developed and agreed the EOI, which was signed-off by Executive Director of Operations, North Cumbria Integrated Care NHS FT. Although the bid was not chosen to be one of four pilots across England, the partnership that developed and the planning work undertaken is providing a valuable basis for pursuing subsequent funding opportunities, such as for the Thriving Communities Fund, which we are bidding to as part of an even wider local partnership.

Meeting Date: 5th January 2021

Public/Private*: Public

Title: **Environment & Transport Portfolio Holder's Report –
Councillor Nigel Christian**

REGULATORY SERVICES

The Local Air Quality Action Plan is currently out for public consultation, this sets out the priorities for the next 5 years and what the Council in conjunction with its Partners will aim to deliver through a dedicated Action Plan to make improvements in air quality. The Report can be found on the City Council website and feedback should be to EnvironmentalHealth@carlisle.gov.uk before the middle of January.

GREEN SPACES

Tree Planting

- Approximately 200 'standard' (over 2 metres tall) trees will be planted across the City this winter. Areas to be planted will include Melbourne Park (as part of the Environment Agency works), Harraby, St James' Park, as well as various residential areas
- Members, Officers and myself recently met the Forestry Commission Implementation Officer for the Forestry Investment Zone Pilot North East Cumbria, a project that comes to an end in March. This gave us a fascinating insight into the complexity of woodland and wood product carbon cycles and lessons learned and opportunities for developing woodland in NE Carlisle

Talkin Tarn

- The Talkin Tarn kiosk and takeaway has remained open during the second lockdown and has proved to be a popular location for residents wanting a breath of fresh air and a hot drink
- The Fellfoot Forward Landscape Partnership Scheme at Talkin Tarn. This project, led by the North Pennines AONB Partnership, aims to conserve, enhance and celebrate the natural and cultural heritage of a special part of the North West of England
Talkin Tarn will play a key role in delivering this project. One element of the project is to provide schools the opportunity to access environmental education for children

in Carlisle District. Talkin Tarn will be the venue for this centre of learning using the existing education facilities that are currently on site. The Fell Foot Forward team have now appointed an education provider to work with the Talkin Tarn team to draw up various environmental education programmes to tap into the key stages of the national curriculum. Part of the Fell Foot funding will pay for schools within Carlisle District to visit the Tarn to trial set education programmes, with the aim of putting together education packs online, for schools to access before coming to Talkin Tarn for outdoor learning. More information about Fellfoot Forward can be found at: https://www.northpennines.org.uk/what_we_do/fellfoot-forward/

Melbourne Park – Environment Agency update

- Work is progressing at Melbourne Park and is due to be completed March 2021. Various footpaths within the park have already been handed back to the City Council therefore allowing key pedestrian access routes to reopen

Rickerby Park

- United Utilities will shortly be completing their essential work of lining the water main that runs through Rickerby Park. Where possible, work to reinstate the park will begin. However, due to the current ground conditions it is envisaged that the bulk of the reinstatement work will not happen until Spring 2021

Chances Park

- Probation services have been undertaking site improvements in Chances Park carrying out work such as painting entrance features, litter picking, and path edging

The Swifts

- Plans to transform the Swifts into an urban site for nature are now progressing with work set to start over the winter
- The project is being undertaken in partnership with Cumbria Wildlife Trust and it will take approximately a year to carry out all of the capital works required
- The project will encourage native flowering species which support pollinating insects, which have seen drastic population declines in recent years
- The Council is also exploring the possibility of partnership working with the University of Cumbria whereby students will undertake regular species monitoring across the site in order to identify long term changes and trends

GROUNDS MAINTENANCE

Winter maintenance programme is going well, with lots of positive comments from the public. Staff have been pruning shrubs, edging grass areas and tidying up cuts both the city and rural area. This work will continue through the winter months. In addition to this we have been assisting with allotment clear ups.

Junior and Sunday league football is resuming after the latest lockdown and we will continue our pitch maintenance work to support games during the winter.

BEREAVEMENT SERVICES

Government guidance continues to affect the provision of funeral services and we continue to have restrictions in place. The Team's priority remains provision of a meaningful funeral for as many mourners as possible, whilst ensuring the safety of the public and our staff. The Team are exploring options to deliver live streaming of funeral services for mourners who are unable to come to Carlisle Crematorium. This will be available in early 2021.

NEIGHBOURHOOD SERVICES

I would like to again place on record my thanks for the ongoing efforts of Neighbourhood Services staff who continue to do an excellent job maintaining refuse and recycling collections and keeping our streets and centres clean in these unusual times. The Team have focussed their efforts on leaf-fall clearance in recent weeks and were able to draw in additional staffing resources to improve our response. Staff have also worked extra hard to support the re-opening of our city centre after the second national lockdown and continue to maintain an enhanced cleaning regime and regularly cleaning down and topping up the hand sanitation stations. Our car parks have of course been quiet in recent months, but we are pleased to be seeing an increase in occupancy as the city centre emerges from lockdown. In this regard, although the start was delayed, we were pleased to promote our free parking offer on late night shopping Thursdays in the run up to Christmas.

We have continued to see an increase in the number of fly-tipping incidents being reported to us with 88 reports for September compared to 43 for last year. October and November have also seen similar increases. The Christmas fly-tipping campaign is now underway, as well as renewing signage at all supermarket bring sites, there will be additional cameras in place at key sites building on the success of last year's campaign.

Since August, the Enforcement Team have carried out the following enforcement action 13 x littering offences, 2 x dog fouling offences, 1 x dog off lead, 4 x fly-tipping, 7 offences relating to a breach of community protection notice and 2 offences of household duty of care.

From Monday, 14th December, residents had the option to view upcoming collection dates, download or print a calendar listing all the collection dates for 2021. All they need to do was to enter their postcode and click on their address.

The online versions of the calendars are a new eco-friendly approach and mean that no printed calendars will be sent direct to households. The new approach also prevents any future confusion over possible date changes that occur after the calendars have distributed.

By making the calendars accessible online, residents can be sure that they are viewing the most current information.

Meeting Date: 5th January 2021

Public/Private*: Public

Title: **Economy, Enterprise & Housing Portfolio Holder's Report –
Councillor Paul Nedved**

FUTURE HIGH STREET FUND

- The final business case for investment from the Future High Street Fund (FHSF) was submitted to the Ministry for Housing Communities and Local Government (MHCLG) on 31st July
- The MHCLG wrote to all the Councils involved in the FHSF programme in September 2020, seeking further clarification on the economic outputs of their proposed FHSF schemes. In Carlisle's case the outputs had been presented correctly and only very minor clarifications were needed
- An announcement on the FHSF funding is anticipated imminently

TOWN DEAL

- The Town Investment Plan and Town Deal proposal for Carlisle was submitted to MHCLG for consideration on 30th October
- Seven projects have been proposed for Town Deal Funding with a funding ask of £25 million
- An announcement on the FHSF funding is anticipated imminently

ECONOMIC STRATEGY

- Progress on the development of the Council's Economic Strategy continues to be made
- A workshop session was held with Scrutiny members on 30th November to refine the areas of focus for the strategy

ST CUTHBERT'S GARDEN VILLAGE

The now finalised Masterplanning Framework for St Cuthbert's Garden Village (October 2020) has been used to evidence the preferred option for the Garden Village Local Plan and a Draft Strategic Design Supplementary Planning Document.

These will be the main documents against which future planning applications will be assessed.

A six-week consultation on these two documents commenced on 10th November and will conclude on 22nd December. Given Covid restrictions, we have had to focus our engagement activities digitally rather than hold face to face meetings as we have done previously. All comments received will be reviewed and amendments to these documents will be made where it's necessary to do so.

In November, we submitted our expression of interest to the MHCLG Development Corporation Fund. This bid seeks assistance with exploring different delivery models and their feasibility. This is in addition to a separate bid to MHCLG for further capacity funding for the Garden Village project. We are still awaiting those announcements.

In November Cumbria County Council approved planning permission for the Carlisle Southern Link Road. This will unlock the delivery of the St Cuthbert's Garden Village. Together, these will play a vital role in supporting the economic recovery of Carlisle following the impacts of Covid 19, as well as the continued long-term growth of the city.

GREEN HOMES GRANT

Carlisle City Council has bid for £1,150,000 from the Green Homes Grant Local Authority Delivery phase 1 b, to address fuel poverty and improve energy efficiency in at least 100 private sector properties. Carlisle has over 2,250 owner-occupied properties and over 700 privately rented properties which have an Energy Performance Certificate (EPC) in the low rating of E, F or G, but capable of achieving a minimum C Rating. We would hope to know the outcome of our bid in early to mid-January. If successful, the delivery would start at the end of January and be completed towards the end of September 2021.

BEVERLEY RISE DEMONSTRATION PROJECT FILM

Riverside have commissioned a production company to produce a short promotional film celebrating the Beverley Rise scheme at Harraby (now called Settle Close) which included onsite training for students from Carlisle College. Filming has been taking place in early December, with interviewees including myself on behalf of the Council, John Stevenson MP, a construction student from Carlisle College who has benefitted from the development, and new residents who have just moved in.

SUPPORTING PEOPLE DECOMMISSIONING UPDATE

The County Council 'Supporting People' funding ends on 31st March 2021, and current supported accommodation providers are being decommissioned. There are two elements to this:

1. The County Council give the City Council a grant to support homelessness which we have used to directly fund 3 FTE Fixed Term Homeless Accommodation Advice Officers; we are currently actively seeking other funding streams
2. There are 2 providers in Carlisle currently commissioned by the County Council which will end:
 - Turning Point (20 units) – Turning Point have confirmed that they will be handing back the leased properties and no longer be providing this service after 31st March 2021; we are currently working with Turning Point to assist them where possible to rehouse their current occupants to prevent homelessness
 - Cumbria Gateway (17 units) – Cumbria Gateway have advised they wish to continue to provide services and will not be making any residents homeless. We already work with Cumbria Gateway under the Next Steps Accommodation Project to fund an additional 9 units for rough sleepers; this is funded until 31st March 2021, however we are awaiting further imminent funding announcements following the MHCLG budgetary setting

HOMELESS PREVENTION AND ROUGH SLEEPING STRATEGY

The draft priorities and associated actions have been out to public consultation (ended 20th November 2020); feedback received is being utilised to shape the final draft strategy priorities which will be considered by Council for approval at Full Council on 2nd March 2021, prior to publication.

COLD WEATHER / WINTER PLANS

Local authority plans have been submitted, verified and published by the MHCLG to ensure that there is sufficient homeless emergency provision in place in Carlisle for those who are rough sleeping or at risk of rough sleeping over the winter period. The provision is Covid secure and meets projected and profiled additional needs including Covid-19 requirements to support self-isolation and for those that have tested positive.

Meeting Date: 5th January 2021

Public/Private*: Public

Title: **Finance, Governance & Resources Portfolio Holder's Report –
Councillor Gareth Ellis**

FINANCIAL SERVICES

The budget process is now progressing through the scrutiny process and the Executive issued their Draft Budget for consultation in mid-December.

COVID returns are continuing to be submitted to MHCLG to outline our additional costs and lost income as a result of the pandemic and the Revenues and Benefits Team are working hard to continue to assess applications for the new Business Support Grants.

ORGANISATIONAL DEVELOPMENT

Wellbeing has been the priority and a number of virtual wellbeing events have been delivered.

The Manager Competency training continues to be delivered and is well attended.

INFORMATION MANAGEMENT

- Recent counts for information requests (From 10 October 2020 – 4 December 2020):
- Environmental Information Regulations requests received - 10
- Environmental Information Regulations requests responded to - 14
- Freedom of Information Act requests received – 114
- Freedom of Information Act requests responded to - 87
- Data Protection Act requests received – 4
- Data Protection Act requests responded to – 3

ICT UPDATE

- Head of Service – Laura Griffiths – started on 16th November
- Service Restructure - ongoing
- Department ICT need assessments underway

- Annual ICT User Satisfaction Survey sent out
- RBS – Migration to Carlisle Citrix Cloud environment underway for Carlisle, Copeland and Allerdale
- RBS Capita system Upgrades implemented for COVID support and grant payments
- Website amendments for COVID Support and grant applications
- PSN IT Healthcheck carried out and working on Remedial Action Plan
- New Internet Connection for Council currently being installed and commissioned
- New perimeter firewalls now installed and working
- Community Centres – currently the Federation are evaluating tender responses to decide on new supplier for ICT provision

ELECTORAL REGISTRATION

The Elections Team have completed the annual canvass and published the revised Register on 1st December. Approximately 5,000 properties out of the 54,000 did not respond to the household correspondence issued and for obvious reasons regarding Coronavirus, the personal canvass in the form of door knocking was unable to be undertaken this year. Where possible, we contacted households via email and telephone and put out social media posts to try to ensure everyone who is entitled to be registered, is on the electoral roll.

We are well into planning for the Elections in May 2021 (City Council, County Council, Police & Crime Commissioner and possible Parishes). These plans continue to be challenging in the current situation, as there are many issues to address, including staff and venue availability and Count arrangements, as these will be held over three different days/times.

PERFORMANCE MANAGEMENT

The Quarter Two Performance Report was presented to the Scrutiny Panels and Executive in November and December. The Report continued to highlight the impact of Covid-19 on some of our services and finances.

Meeting Date: 5th January 2021

Public/Private*: Public

Title: **Leader's Portfolio Holder Report –
Councillor John Mallinson**

BORDERLANDS INCLUSIVE GROWTH DEAL Programme

- Since signing the Heads of Terms in July 2019, a large volume of work has progressed by the Borderlands Partners as part of the preparations for agreeing the Deal
- This includes the development of a suite of Deal-wide documentation which set out the content of, and approach to, delivering the Deal
- The Borderlands Partnership Board has previously received, and approved, Deal-wide documents including the Collaboration Agreement that was approved by the Council in November 2019
- The key documents that are required in order to reach Final Deal Agreement include:
 - The Deal document,
 - Implementation Plan and
 - Financial Plan
- These have been shared with UKG and SG officials to progress negotiations towards Final Deal in early 2021

CARLISLE PROJECTS

Good progress continues to be made on three Carlisle projects - Carlisle Station, Citadels and Caldew Riverside:

Carlisle Station

- The detailed business case for seeking £20m investment from the Deal to deliver the improvements to the railway station project has now been approved by Ministry for Housing, Communities and Local Government (MHCLG). The delivery of this project is dependent on the use of land owned by the City Council
- An overview of this project will be brought to Council for consideration in February 2021, following input from The Executive and the relevant Overview and Scrutiny Panels during December and January

Citadels

- Following the allocation of £50m funding from the Deal to transform the Citadels buildings, the project partners continue to develop the detailed business case for a new campus for the University of Cumbria on the site
- As the Citadels are Grade 1 listed, detailed discussions with Historic England have taken place. They are very supportive of the project and a series of development and design principles have been agreed with them
- A second stage of consultation on the project proposals was undertaken between 20th November – 11th December 2020. The feedback on the proposals was very positive, and the project team are using the feedback to refine the proposals prior to submission
- Submission to the MHCLG has been identified for January 2021

Caldew Riverside

- The City Council are in discussion with Homes England regarding the next phase of project development, which will involve drawing up detailed proposals and securing additional funding

CARLISLE STRATEGIC PARTNERSHIP

CARLISLE PARTNERSHIP – STATE OF THE PLACE SESSION

On the 19th October Carlisle Partnership brought together a cross sector of Partners to hold a “State of the Place” session. The purpose was to reflect on the last few months living and working with Coronavirus and to consider impacts, threats and opportunities moving forward as well as receive Partner updates on their experiences during the pandemic.

CARLISLE PARTNERSHIP EXECUTIVE

On Monday, 7th December, Carlisle Partnership Executive held a virtual meeting amongst our place based Strategic Partners. The meeting additionally welcomed North Cumbria NHS. The meeting focused on the following key areas:

- A Covid situation report
- Cumbria and Carlisle community resilience updates
- State of the Place follow up
- St Cuthbert's Garden Village Consultation session
- Collaborative Funding Pilot
- System Infrastructure business
- A number of project or partner updates were provided

Carlisle Partnership continues to send a weekly newsletter regarding partnership updates and activity, Covid response and recovery and funding. Between March and September:

- 46 partners were activity engaged in resilience work
- 3,554 customer enquiries

- 7,000 food parcels were distributed
- There were 34 community resilience group meetings
- 357 funds were shared via Carlisle City Council webpage
- There were 179,226 views on Carlisle City Council Funding webpage
- Over 40 Partnership information updates were shared

EMERGENCY PLANNING

Covid-19

The Council continues to respond to the Covid-19 emergency through the Cumbria Local Resilience Forum, Health Protection Board and Strategic Recovery Coordination Group. The move out of the November lockdown into the new tiers, with Cumbria placed in Tier 2, has led to renewed focus on supporting businesses and publicising and enforcing the new restrictions.

The Tactical Coordination Group has developed new task groups to continue the response work, two are notable for the shift in response: Vaccination Sub-Group and a Volunteering Sub-Group.

Communications and Public Consultations

We continue to support the countywide communications response to the Covid-19 emergency. In addition to this, work continues on key projects including the St Cuthbert's Garden Village consultation, the Borderlands Carlisle Station and Citadels consultation and the Stay Local, Shop Local promotion.

Report to
Council

Agenda
Item
12.(i)

Meeting Date: 5 January 2021

Public/Private*: Public

Title: Health and Wellbeing Scrutiny Panel

Councillor Jack Paton

First let me apologise for the length of the report as I was only present at the meeting until 12.30 as I had work commitments.

Budget Update

The Corporate Director of Finance presented a report to the Panel with the revised revenue estimates for 2020/21 along with 2021/22.

We noted that the Energy Monitoring System was the only reference to the Local Air Quality Plan and wanted to ensure that the budget was in place to address any actions, and also how the Council's obligations would be incorporated into the budget. We were told that money was in place and an affordable plan to include future climate change work in the budget, more information was to follow.

We asked if an application had been made to receive part of the £2.5m National Lottery Action Fund from the Zero Carbon Cumbria Partnership. We were told that any external grants were included in the budget documents and we were then told that no money had been allocated to Carlisle City Council.

When asked about the Old Fire Station we were told it remained closed due to government guidance, and the staff had been redeployed elsewhere.

Community Services

We asked about the enforcement action on fly tipping. We were told that the closure of the recycling centre had caused an increase in fly tipping but now the site has reopened the cases have dropped.

The maximum fine for fly tipping is £400. If the offender repeats their actions, it would go to court resulting in them having a criminal record.

It was suggested that there should be more publicity for the 10% discount on monthly and annual car parking permits, the Service Manager agreed that there should be more promotion of the available discount, but due to the current restrictions we would be better doing this in the future, as at the moment more people are working from home and the car parks are not being used.

The subject of pest control was raised, and we were told there was no discount scheme in place. Pest control is discretionary, and it was necessary to make a charge to cover the cost.

I do apologise as I cannot comment on Tullie House as I had to leave the meeting due to work commitments.

I would like to take this opportunity on behalf of the Panel members and myself to convey our gratitude to all the staff who have worked so willingly to ensure that the Council keeps providing the services to the public during this pandemic and most importantly we wish you all a very Merry Christmas and a better outlook for 2021.

Cllr Jack Paton

Chair – Health and Wellbeing Overview and Scrutiny Committee

Meeting Date: 5th January 2021

Public/Private*: Public

Title: **Business & Transformation Scrutiny Panel Chairman's Report –
Councillor James Bainbridge**

Business and Transformation Panel meeting on the 15th October 2020

As members will be aware from previous updates, there has been a Task and Finish Group established to work alongside Human Resources Officers, who were revising the Attendance Management Policy of the Council.

Members will recall that even before Covid-19, issues appertaining to absence and attendance featured regularly within the discussions of the Panel. As a consequence the Task and Finish Group in this area assisted productively in analysing and questioning the new Policy as it took shape. We received a final formal update on the Policy (and as importantly the roll out process) that has emerged from this T&F work. The Task and Finish Group has concluded its remit and the Policy has now gone to a wider consultation within the Council organisation as part of the formal adoption.

I would like to take the opportunity to thank fellow panellists for their informed work on this Task and Finish Group, and for Officers in working with ourselves in a genuine and forward-thinking discussion of this issue.

As one Task and Finish Group concludes so we progress to our next area. This will consider the area of our commercialisation strategy as a Council. Members who have followed the Corporate Peer Review process will be aware of the issues which it raised over commercialisation and the scrutiny process.

Following the Panel discussion of the Corporate Peer Review at the meeting, I had a further online meeting with two different representatives from the LGA the following week. I was for the most part able to outline the steps that the B&TSP had taken over the intervening weeks to rise to the challenge of their initial findings. I suspect personally though they will ultimately wish for further progression towards a two panel system amongst their recommendations for the scrutiny process.

As a Panel we had a positive discussion on the issues of obtaining better Ward level value from Section 106 Agreements. I feel for those attending it was certainly an informative and constructive discussion, so much so, that we have requested that this similar discussion is raised through the Informal Council process so that all Members can have an informed overview of this area, which we hope will assist them in their Ward obligations.

Lastly, but by no means least, in the terms of the discussion it generated, was the planning for a No Deal Brexit. On this we have further information due in terms of a Risk Assessment for a future meeting.

Full details of the discussions are to be found within the Minute Book

Cllr James Bainbridge
Chairman

Meeting Date: 5th January 2021

Public/Private*: Public

Title: **Business and Transformation Scrutiny Panel – Vice Chair
Councillor Pam Birks**

Business and Transformation Scrutiny Panel 1st December 2020

The December Panel was predominantly 2021/22 draft budget focused, which was greatly assisted by Economic Growth Scrutiny Panel and Health and Wellbeing Scrutiny Panel having gone through their defined budget areas before our meeting and reporting issues of concern back to the Business and Transformation Scrutiny Panel. Our thanks go to both Panels for their help.

Due to COVID 19 this has been a difficult year for any business and the Council are no different. The finance team have worked hard to keep us on budget this year, whilst undertaking additional work to support the impact of COVID on Council works and budgets and presenting a draft budget for 2021/22. There continues to be many unknowns in the 2021/22 budget, we will not know until the end of December what funding we can expect from Government. We look forward to an update on the proposed 2021/22 budget once Finance have received all outstanding information.

Finance is looking at the short and long-term impacts of the shortfall in income during this year, revenue has been impacted by reduced car park income, rents etc. Submissions are being sent to Government on the shortfalls in Council income due COVID, which in due course we hope will be underwritten/repaid by Government.

We have experienced higher than normal exceptions on performance, but in light of COVID lockdown these were to be expected. A highlight of performance was there has been an 11% decrease in staff absence this year.

What will 2021 bring?

The Director of Economic Development gave an overview of BREXIT, and how the Council is readying itself for 1st January 2021. This item sits on the Corporate Risk Register and is closely aligned to the Cumbria wide plan in which the Local Resilience Forum and Local Enterprise Partnership are heavily involved.

Going forward a Members' Working Group is to be set up from all three Panels to review content of performance reports and setting measures and targets for the forthcoming year. We hope that the vaccine proves to be successful and we get back to some sort of normal. That as a Council we continue to support the communities and businesses that make Carlisle a City to be proud of and that we are able to fulfil all of our commitments within our COVID financial constraints.

Full details of the meeting are available in the minute book.

Report to Council

Agenda
Item

12.(iv)

Meeting Date: 5th January 2021

Public/Private*: Public

Title: **Economic Growth Overview and Scrutiny Panel – Councillor Lisa Brown**

At the meeting on the 26th of November, we welcomed Carlisle Ambassadors and received a presentation from Ms Masters and Mr Dean. The Panel has always been keen to find out more about the work of the Ambassadors so are grateful to them for taking the time to come along and present. It is clear from the presentation that events such as Give a Day to the City are of benefit to the people of Carlisle, but the Panel is keen to see what work can be done outside of this day, specifically how the projects and tasks performed on that day are followed up throughout the year.

Young Ambassadors has massive potential, and the Panel is also keen to see that supported as much as possible. We hope Council members can look to engage and support both Give a Day to the City and Young Ambassadors going forward and have asked for information be circulated to all Councillors.

The Corporate Director of Finance and Resources submitted report RD.32/20 providing a summary of the Council's revised revenue base estimates for 2020/21, together with base estimates for 2021/22 and forecasts up to 2025/26 for illustrative purposes. Potential new spending pressures, bids and savings had also been considered in the report.

The Panel's agenda set out the matters which fell within their remit. Full details of the discussion that took place can be found in the minutes of that meeting. The Revised Capital Programme 2020/21 and Provisional Capital Programme 2021/22 to 2025/26 (RD.33/20) was endorsed, as was the Charges Review Report 2020/21 – Economic Development (ED.38/20) and the Charges Review Report 2021/22 – Community Services (CS.30/20) with a resolution from the Panel that a review of the parking permit scheme at Talkin Tarn be carried out.

The Head of Planning Policy submitted a report which provided a summary of the Masterplan Framework for St Cuthbert's Garden Village and the Principal Planning Officer submitted a report which updated the Panel on the proposals for consultation on the St Cuthbert's Garden Village Local Plan preferred options policies. Full details of the questions raised by members can be found in the minutes. Resolutions were made by the Panel to look at the raising the requirement for the affordable housing and also the self-build policy.

As always, I would like to thank everyone involved in these meetings as they are always informative and engaging for members.

Members had the opportunity to hear from the Director of Economic Development in December at the Economic Strategy workshop. The presentations were well received, highlighting the challenges and opportunities facing Carlisle. Members engaged with the process and the questions and concerns answered fully by the Officer Team who had obviously been putting a considerable amount of work into developing the Strategy. We look forward to seeing it come back more developed to Scrutiny soon.

Cllr Lisa Brown

Chair – Economic Growth Overview and Scrutiny Panel

Report to Council

**Agenda
Item:
14.(i)**

Meeting Date: 5 January 2021
Portfolio: Finance, Governance and Resources
Key Decision: No
Within Policy and Budget Framework
Public / Private Public

Title: DATES AND TIMES OF MEETINGS 2021/22
Report of: Corporate Director of Governance and Resources
Report Number: GD.05/21

Purpose / Summary:

The attached report relating to the dates and times of meetings for 2021/22 was submitted to the Executive on 14 December 2020. The Executive recommended that the Council agree the schedule of dates and times of meetings in the 2021/22 municipal year as set out in the calendar attached as an Appendix. The Executive also noted the dates and times of meetings of the Executive as chosen by the Leader.

Recommendations:

- (1) That the dates and times of meetings in the Municipal Year 2021/22 be approved as set out in the attached Schedule.
- (2) That the dates and times for meetings of the Executive, which have been chosen by the Leader, be noted.

Tracking

| | |
|------------------------|---|
| Executive: | 14 December 2020 |
| Scrutiny Chairs Group: | Scrutiny Chairs Group - 10 November 2020 |
| Council: | 5 January 2021 |

Contact Officer: Rachel Plant

Ext: 7039

**Appendices Executive report GD.61/20 and Minute Excerpt
attached to report:**

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

- Carlisle City Council's Constitution
- GD.25/20 – Dates and Times of Meetings 2020/21 from Council 14 July 2020

Report to Executive

Agenda
Item:

Meeting Date: 14 December 2020

Portfolio: Cross Cutting

Key Decision: No

Within Policy and
Budget Framework No

Public / Private Public

Title: DATES AND TIMES OF MEETINGS 2021/22

Report of: Corporate Director of Governance and Resources

Report Number: GD.61/20

Purpose / Summary:

To consider dates and times for meetings of the City Council, Executive, Scrutiny Panels, Audit Committee and the Regulatory Committees for the 2021/22 municipal year.

Recommendations:

- (1) The observations of the Executive are requested on the schedule of dates and times for meetings in the 2021/22 Municipal Year for submission to the City Council.
- (2) That the dates and times for meetings of the Executive, which have been chosen by the Leader, be noted.

Tracking

| | |
|------------|---|
| Executive: | 14 December 2020 |
| Scrutiny: | Scrutiny Chairs Group - 10 November 2020 |
| Council: | 5 January 2021 |

1. BACKGROUND/

- 1.1** The Constitution of the City Council requires that a calendar showing the date and time of ordinary meetings of committees, sub-committees, panels and working groups shall be prepared by the Corporate Director of Governance and Regulatory Services and approved by the Council before the commencement of the Council year and the calendar will then be distributed to all Members.

2. PROPOSALS

- 2.1** Attached at Appendix A is a draft schedule of meeting dates for the City Council, the Executive, Scrutiny Panels and the Regulatory Committees for the 2021/22 Municipal Year.
- 2.2** The frequency of meetings is set out in the Constitution in respect of the Executive, Scrutiny Panels and the Audit Committee. The frequency of meetings of the Council and remaining Committees/Panels have been previously agreed. The current frequencies are as follows:-

| | |
|---|-----------|
| City Council (ordinary meetings) | 8 weekly; |
| Scrutiny Panels | 6 weekly; |
| Executive (required to meet at least 13 times per year) | 4 weekly; |
| Development Control Committee | 6 weekly; |
| Regulatory Panel | 5 weekly; |
| Licensing Committee | Quarterly |

The Audit Committee will meet in July, September, December and March.

Meetings of the Standards Committee, Appeals Panel, Employment Panel, Licensing Sub-Committees, and other meetings are held as and when required and as such are not included in this schedule.

- 2.3** The Constitution states that the Executive will meet at least 13 times per year. Dates and times for meetings of the Executive are at the discretion of the Leader and are currently every 4 weeks.
- 2.4** The Health and Wellbeing Scrutiny Panel has been scheduled to meet at 10.00am on Thursday and the Business and Transformation Scrutiny Panel and the Economic growth Scrutiny Panel have been scheduled for 4.00pm on Thursday, as is current practice.

- 2.5** With regard to the Budget process, it is proposed that the Executive meeting scheduled for Monday 22 November 2021 will be an ordinary meeting that will also include consideration of the initial draft Budget reports. The budget reports will then be circulated for consultation with the Scrutiny Panels as follows:-
- Health and Wellbeing – Thursday 25 November 2021;
 - Economic Growth – Thursday 2 December 2021;
 - Business and Transformation – Tuesday 7 December 2021.

The observations of the Scrutiny Panels will then be considered at a further special Executive meeting on Monday 13 December 2021.

It is proposed that the Executive will meet again on Monday 20 December 2021 to formally agree its draft Budget for consultation.

This consultation process will include the proposals being submitted to the scheduled meeting of the Business and Transformation Scrutiny Panel on Thursday 6 January 2022 with their observations and other feedback being considered by the Executive at their meeting on Wednesday 19 January 2022.

The budget proposal will then go to a Special meeting of the City Council on 1 February 2022.

3. CORONAVIRUS PANDEMIC

- 3.1** The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020 ‘the Regulations’ were introduced to allow Councils to operate meetings during the Coronavirus pandemic. The Regulations temporarily changed existing law to permit Council meetings to take place remotely until 7 May 2021.
- 3.2** The 2021/22 Civic Calendar has been prepared using the current timescales for May 2021 elections and legislation out with the Regulations. Should the Regulations be extended past 7 May 2021 or additional regulations are introduced there may be a requirement for the Civic Calendar to be amended and reconsidered by Council at a future date.

4. RISKS

- 4.1** Not having an agreed calendar of meetings contravenes the requirements of the Constitution of the City Council and would inhibit members of the public in engaging in the democratic process.

5. CONSULTATION

- 5.1** The Scrutiny Chairs Group has considered the draft timetable on 10 November 2020 and any comments will be fed into the calendar.
- 5.2** Consultation has taken place with the Licensing Section, Economic Development and Finance on the scheduling of meetings. The Corporate Director of Finance and Resources' comments on the arrangements for considering and processing the Budget and the views of Economic Development on the schedule of Development Control Committee meetings have been incorporated in the schedule of meetings attached.

6. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 6.1** In accordance with Procedure Rule 1.1 (x) that the dates and times of meetings in the Municipal Year 2021/22 be approved as set out in the attached appendix.
- 6.2** That the dates and times of meetings of the Executive as chosen by the Leader be noted.

7. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

- 7.1** To ensure that the appropriate governance arrangements are in place to enable the City Council to meet all of the Carlisle Plan priorities.

Contact Officer: Rachel Plant

Ext: 7039

Appendices attached to report: Appendix A – Schedule of dates and times of meetings for 2021/22

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

- Carlisle City Council's Constitution
- GD.25/20 – Dates and Times of Meetings 2020/21 from Council 14 July 2020

CORPORATE IMPLICATIONS:

LEGAL - comments are incorporated in the report but it should be noted that the Council must, at this stage, set its Civic Calendar to facilitate its existing committee structure,

irrespective of the governance deliberations currently under consideration by the Overview and Scrutiny Panels. Some of the Meetings are set (e.g. Annual Council) but it is open to Council to amend the calendar as regards other meetings, should it wish to do so. Current operating changes are set out in paragraph 3.1 of the Report.

FINANCE – subject to the Council agreeing a schedule of meetings for Council, Scrutiny Panels and Regulatory Committees and the Leader arranging a schedule of meetings of the Executive which are broadly comparable with the schedule of meetings for the current Municipal Year, there are no additional staffing/resource requirements arising from this report. The meetings necessary for the Budget process have been scheduled into the Calendar of Meetings. The Council budget meeting is currently scheduled for 1 February 2022. As this is before 8 February any proposed amendments to the budget proposals on the night would act as a reference back to the Executive and would not be effective on the night.

EQUALITY – None

INFORMATION GOVERNANCE – None

May 2021

| Mon | Tue | Wed | Thu | Fri | Sat | Sun |
|---------------------------------|-----|-----|-----------------------|-----|-----|-----|
| | | | | | 1 | 2 |
| 3 <i>Bank Holiday</i> | 4 | 5 | 6 <i>Elections</i> | 7 | 8 | 9 |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 |
| 17 | 18 | 19 | 20 | 21 | 22 | 23 |
| 24 11.00am—Annual Council | 25 | 26 | 27 | 28 | 29 | 30 |
| 31 <i>Bank Holiday</i> | | | | | | |

June 2021

| Mon | Tue | Wed | Thu | Fri | Sat | Sun |
|-----|-----|---|--|---|-----|-----|
| | 1 | 2 4.00pm—Executive | 3 4.00pm Business and Transformation Scrutiny Panel | 4 | 5 | 6 |
| 7 | 8 | 9 9.45am—Development Control Committee 10.00am—Development Control Site Visits 4.00pm Regulatory Panel followed by Licensing Committee | 10 10.00am Health and Wellbeing Scrutiny Panel | 11 10.00am - Development Control Committee | 12 | 13 |
| 14 | 15 | 16 | 17 4.00pm—Economic Growth Scrutiny Panel | 18 | 19 | 20 |
| 21 | 22 | 23 | 24 | 25 | 26 | 27 |
| 28 | 29 | 30 | | | | |

July 2021

| Mon | Tue | Wed | Thu | Fri | Sat | Sun |
|-----------------------|----------------------|---|---|---|-----|-----|
| | | | 1 | 2 | 3 | 4 |
| 5 4.00pm Executive | 6 | 7 | 8 10.00am Audit Committee | 9 | 10 | 11 |
| 12 | 13 | 14 4.00pm—Regulatory Panel | 15 4.00pm—Business and Transformation Scrutiny Panel | 16 | 17 | 18 |
| 19 | 20 6.45pm—Council | 21 10.00am—Development Control Site Visits | 22 10.00am Health and Wellbeing Scrutiny Panel | 23 10.00am—Development Control Committee | 24 | 25 |
| 26 | 27 | 28 10.00am—Audit Committee | 29 4.00pm—Economic Growth Scrutiny Panel | 30 | 31 | |

August 2021

| Mon | Tue | Wed | Thu | Fri | Sat | Sun |
|---------------------------|------------------------|----------------------------------|---|-----|-----|-----|
| | | | | | | 1 |
| 2 4.00pm—Executive | 3 | 4 | 5 | 6 | 7 | 8 |
| 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| 16 | 17 | 18 4.00pm—Regulatory Panel | 19 | 20 | 21 | 22 |
| 23 | 24 | 25 | 26 4.00pm—Business and Transformation Scrutiny Panel | 27 | 28 | 29 |
| 30 <i>Bank Holiday</i> | 31 4.00pm—Executive | | | | | |

September 2021

| Mon | Tue | Wed | Thu | Fri | Sat | Sun |
|------------------------|----------------------|--|--|---|-----|-----|
| | | 1 | 2 10.00am—Health and wellbeing Scrutiny Panel | 3 | 4 | 5 |
| 6 | 7 | 8 10.00am—Development Control Site Visits | 9 4.00pm—Economic Growth Scrutiny Panel | 10 10.00am—Development Control Committee | 11 | 12 |
| 13 | 14 6.45pm—Council | 15 | 16 | 17 | 18 | 19 |
| 20 | 21 | 22 4.00pm—Regulatory Panel | 23 | 24 10.00am—Audit Committee | 25 | 26 |
| 27 4.00pm—Executive | 28 | 29 | 30 | | | |

October 2021

| Mon | Tue | Wed | Thu | Fri | Sat | Sun |
|------------------------|-----|---|--|--|-----|-----|
| | | | | 1 | 2 | 3 |
| 4 | 5 | 6 | 7 4.00pm—Business and Transformation Scrutiny Panel | 8 | 9 | 10 |
| 11 | 12 | 13 | 14 10.00am—Health and Wellbeing Scrutiny Panel | 15 | 16 | 17 |
| 18 | 19 | 20 10.00am— Development Control Site Visits | 21 4.00pm— Economic Growth Scrutiny Panel | 22 10.00am— Development Control Committee | 23 | 24 |
| 25 4.00pm—Executive | 26 | 27 4.00pm—Regulatory Panel followed by Licensing Committee | 28 | 29 | 30 | 31 |

November 2021

| Mon | Tue | Wed | Thu | Fri | Sat | Sun |
|------------------------|---------------------|-----|---|-----|-----|-----|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 8 | 9 6.45pm—Council | 10 | 11 | 12 | 13 | 14 |
| 15 | 16 | 17 | 18 | 19 | 20 | 21 |
| 22 4.00pm—Executive | 23 | 24 | 25 10.00am—Health and Wellbeing Scrutiny Panel | 26 | 27 | 28 |
| 29 | 30 | | | | | |

December 2021

| Mon | Tue | Wed | Thu | Fri | Sat | Sun |
|-------------------------------------|--|---|--|---|-----|-----|
| | | 1 10.00am— Development Control Site Visits 4.00pm—Regulatory Panel | 2 4.00pm—Economic Growth Scrutiny Panel | 3 10.00am— Development Control Committee | 4 | 5 |
| 6 | 7 4.00pm—Business and Transformation Scrutiny Panel | 8 | 9 | 10 10.00am—Audit Committee | 11 | 12 |
| 13 4.00pm—Executive (Special) | 14 | 15 | 16 | 17 | 18 | 19 |
| 20 4.00pm—Executive | 21 | 22 | 23 | 24 | 25 | 26 |
| 27 <i>Bank Holiday</i> | 28 <i>Bank Holiday</i> | 29 | 30 | 31 | | |

January 2022

| Mon | Tue | Wed | Thu | Fri | Sat | Sun |
|-----|---------------------|--|--|---|-----|-----|
| | | | | | 1 | 2 |
| 3 | 4 6.45pm—Council | 5 4.00pm—Regulatory Panel followed by Licensing Committee | 6 4.00pm—Business and Transformation Scrutiny Panel | 7 | 8 | 9 |
| 10 | 11 | 12 10.00am—Development Control Site Visits | 13 10.00am—Health and Wellbeing Scrutiny Panel | 14 10.00am—Development Control Committee | 15 | 16 |
| 17 | 18 | 19 4.00pm—Executive | 20 4.00pm—Economic Growth Scrutiny Panel | 21 | 22 | 23 |
| 24 | 25 | 26 | 27 | 28 | 29 | 30 |
| 31 | | | | | | |

February 2022

| Mon | Tue | Wed | Thu | Fri | Sat | Sun |
|------------------------|---------------------------------|--|---|--|-----|-----|
| | 1 6.45pm —Special Council | 2 | 3 | 4 | 5 | 6 |
| 7 | 8 | 9 4.00pm—Regulatory Panel | 10 | 11 | 12 | 13 |
| 14 | 15 | 16 | 17 10.00am—Health and wellbeing Scrutiny Panel | 18 | 19 | 20 |
| 21 4.00pm—Executive | 22 | 23 10.00am— Development Control Site Visits | 24 4.00pm—Business and Transformation Scrutiny Panel | 25 10.00am— Development Control Committee | 26 | 27 |
| 28 | | | | | | |

March 2022

| Mon | Tue | Wed | Thu | Fri | Sat | Sun |
|------------------------|---------------------|----------------------------------|---|-----|-----|-----|
| | 1 6.45pm—Council | 2 | 3 4.00pm—Economic Growth Scrutiny Panel | 4 | 5 | 6 |
| 7 | 8 | 9 | 10 | 11 | 12 | 13 |
| 14 | 15 | 16 4.00pm—Regulatory Panel | 17 10.00am—Audit Committee | 18 | 19 | 20 |
| 21 4.00pm—Executive | 22 | 23 | 24 | 25 | 26 | 27 |
| 28 | 29 | 30 | 31 4.00pm—Business and Transformation scrutiny Panel | | | |

April 2022

| Mon | Tue | Wed | Thu | Fri | Sat | Sun |
|---------------------------|------------------------|---|--|---|-----|-----|
| | | | | 1 | 2 | 3 |
| 4 | 5 | 6 10.00am— Development Control Site Visits | 7 10.00am—Health and wellbeing Scrutiny Panel | 8 10.00am— Development Control Committee | 9 | 10 |
| 11 | 12 | 13 | 14 4.00pm—Economic Growth Scrutiny Panel | 15 <i>Bank Holiday</i> | 16 | 17 |
| 18 <i>Bank Holiday</i> | 19 4.00pm—Executive | 20 4.00pm—Regulatory Panel followed by Licensing Committee | 21 | 22 | 23 | 24 |
| 25 | 26 6.45pm—Council | 27 | 28 | 29 | 30 | |

May 2022

| Mon | Tue | Wed | Thu | Fri | Sat | Sun |
|---------------------------------|-----|-----|----------------|-----|-----|-----|
| | | | | | | 1 |
| 2 <i>Bank Holiday</i> | 3 | 4 | 5 Elections | 6 | 7 | 8 |
| 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| 16 | 17 | 18 | 19 | 20 | 21 | 22 |
| 23 11.00am—Annual Council | 24 | 25 | 26 | 27 | 28 | 29 |
| 30 <i>Bank Holiday</i> | 31 | | | | | |

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 14 DECEMBER 2020

EX.156/20 **DATES AND TIMES OF MEETINGS 2021/22
(Non Key Decision)

(In accordance with Paragraph 15(i) of the Overview and Scrutiny Procedure Rules, the Mayor had agreed that call-in procedures should not be applied to this item)

Portfolio Cross Cutting

Relevant Scrutiny Panel Economic Growth; Health and Wellbeing; and Business and Transformation

Subject Matter

The Leader submitted report GD.61/20 concerning proposed dates and times of meetings of the City Council, the Executive, Scrutiny Panels, the Audit Committee and the Regulatory Committees for the 2021/22 municipal year.

The proposals with regard to meetings and the coronavirus pandemic were set out at Sections 2 and 3 of the report.

The Leader then moved the recommendations and the Deputy Leader seconded them.

Summary of options rejected none

DECISION

1. That the City Council be requested to agree the schedule of dates and times of meetings in the 2021/22 Municipal Year as set out in the calendar attached as an Appendix to Report GD.61/20.
2. That the dates and times for meetings of the Executive, which had been chosen by the Leader, be noted.

Reasons for Decision

In order to recommend to the City Council a schedule of dates and times for meetings covering the 2021/22 Municipal Year as required by Procedure Rule 1.1(x).

Report to Council

Agenda
Item:
14.
(ii)

Meeting Date: 5th January 2021
Portfolio: Culture, Leisure and Heritage
Key Decision: Yes: Recorded in the Notice
Within Policy and Budget Framework Yes
Public / Private Public

Title: TULLIE HOUSE BUSINESS PLAN 2021/22
Report of: DEPUTY CHIEF EXECUTIVE
Report Number: CS 04/21

Purpose / Summary:

This report provides an overview and analysis of the September 2020 update of the Tullie House Museum and Art Gallery Trust 2020-2025 Business Plan (Appendix 1). The purpose of this report is to allow consideration of the Business Plan in order that the Council may in due course agree core funding for the Trust. This is in line with Section 5 of the Partnership Agreement between the Council and Tullie House Trust (THT). This states that the Business Plan submitted by the Trust to the City Council should be used as the basis agreeing future years funding.

Recommendations:

Carlisle City Council are asked:-

- To consider the comments of both the Health & Wellbeing Scrutiny Panel (as detailed in the minute excerpt of their meeting of 19/11/20), and the comments and recommendations of Executive as (detailed in the minute excerpt of their meeting on 14/12/20).
- Confirm the agreed levels of core funding for 2021/22 and the indicative levels for 2022/23 and 2023/24.

Tracking

| | |
|------------|---|
| Executive: | 12th October 2020 & 14th December 2020 |
| Scrutiny: | 19th November 2020 |
| Council: | 5th January 2021 |

1. BACKGROUND

- 1.1. On 14th December 2010 the City Council approved the principle of establishing a new Charitable Trust to run the Tullie House Museum and Art Gallery. Tullie House Museum and Art Gallery transferred from Carlisle City Council to a new, independent, charitable company on 5th May 2011.
- 1.2. The Partnership Agreement between Tullie House Trust (THT) and Carlisle City Council states that the core funding from the Council to the Trust is set following consideration of a business plan submitted annually.
- 1.3. The Partnership Agreement states that core funding should be agreed for a three-year period (covered by a Business Plan submitted annually).
- 1.4. In 2020, as part of the Business Plan approval process, Council agreed to start discussions to progress to a four-year business plan in order to offer stability and certainty in budgeting for both parties. The Trust believe that a four-year cycle would also fit into the Arts Council for England funding cycle and help with the delivery of Project Tullie. Due to the impact of Covid 19 this has not been progressed any further at present.
- 1.5. In 2020 Council also agreed to start discussions with THT to move from a payment mechanism that segregated the core funding, inflation and services costs to calculating one total financial support package and a single composite management fee. Again, due to Covid 19 this has not been progressed any further.
- 1.6. THT launched Project Tullie in 2018 to mark the 125th anniversary of the museum. Project Tullie is the Trusts masterplan to “*transform Tullie House Museum into the creative and cultural heart of the borderlands for the 21st century*” and, they believe, is central to their future business plans. Although the capital costs fall outside the revenue budgets presented in the business plan, THT see the delivery of the project as crucial to their ability to fulfil their strategic priorities (Community Engagement and Financial Sustainability) and associated objectives.

2. CORE FUNDING

- 2.1. The core funding referred to in the Tullie House Trust Business Plan (Page 42 6.3) represents the financial support offered to the Trust on an annual basis to assist the Trust to operate. The Council has reduced core funding since the commencement of the Trust in May 2011, these reductions are approximately in line with other revenue reductions managed by the Council during this period. The table below (2.6) demonstrates these reductions over time. To give the Trust certainty during this

period the Council agreed to hold the core funding between the years 2013-15 and 2016-2020. This period also afforded the THT enough time to react to the recommendations arising from the LGA Productivity Review highlighted below.

- 2.2. The agreement to hold the core funding level for the period 2016-20 was stimulated by an independent review of the THT performance and future sustainability. In early 2017 a comprehensive, productivity study was undertaken by specialist museum consultants Roseangle. This work was funded by the Local Government Association as part of their programme to assist the sector with efficiency programmes. The study was a joint commission with THT as was the appointment of Roseangle.
- 2.3. The report outlined recommendations to develop the commercial approach of the trust and improve their income and financial sustainability. It is clear that THT have adopted many of these recommendations.
- 2.4. The report concluded that THT could operate with core funding of no less than £500k from the City Council. The report also suggested that the Council could expect to achieve a core funding saving of £200k (from the 2018/19 funding level of £734,420) once the THT had implemented its recommendations. In addition, the report suggested that the Council might expect to achieve a further core funding reduction of circa £100k should the THT realise a capital investment for a significant project.
- 2.5. The agreement to hold the core funding levels during this four year period afforded the THT an opportunity to make progress on its financial sustainability and determine its future major project. The THT have responded to this position by seeking to become more sustainable and conceiving Project Tullie.
- 2.6. Previous core funding, inflation (borne by the Council) and Services costs (paid over to Tullie House Trust) are laid out below.

| | 2011/12 | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 |
|-------------------------------------|-----------|-----------|-----------|-----------|-----------|---------|---------|---------|---------|---------|
| Core Funding | 1,314,420 | 1,256,420 | 1,198,420 | 1,198,420 | 948,420 | 734,420 | 734,420 | 734,420 | 734,420 | 634,420 |
| Inflation | 0 | 18,161 | 37,003 | 47,034 | 80,438 | 77,696 | 89,301 | 118,130 | 146,723 | 178,568 |
| Services (HR/Payroll/ICT/H&S) | 0 | 0 | 0 | 0 | 13,294 | 22,388 | 72,480 | 82,498 | 89,403 | 90,784 |
| TOTAL PAYMENT TO TULLIE HOUSE TRUST | 1,314,420 | 1,274,581 | 1,235,423 | 1,245,454 | 1,042,152 | 834,504 | 896,201 | 935,048 | 970,546 | 903,722 |

- 2.7. The total annual payment of funds to THT from the council is made up of the core funding, inflation and the market tested costs of services previously provided by the City Council (HR/Payroll/ICT/H&S).
- 2.8. The core funding is agreed as part of the annual budget cycle. The inflationary increase and cost of services calculations are written into the funding agreement.
- 2.9. Inflation is determined on an annual basis through a detailed calculation based upon individual income and expenditure budget heads included within the Tullie House Business Plan rather than on a fixed percentage increase on the core funding.
- 2.10. The future core funding built into the Council's current Medium-Term Financial Plan assumes the following reductions in core funding in respect of Tullie House Trust.

| | 2021/22 | 2022/23 | 2023/24 |
|------------------------------------|---------------|----------------|----------------|
| Core Funding | 584,420 | 434,420 | 434,420 |
| Inflation (estimate*) | 207,760 | 241,001 | 274,742 |
| Services (HR/Payroll/ICT/H&S) | 90,784 | 90,784 | 90,784 |
| TOTAL FUNDING | 882,964 | 766,205 | 799,946 |
| Savings from 2020/21 levels | 50,000 | 200,000 | 200,000 |

*Inflation estimated at 2% but will be calculated in line with the partnership agreement at CPI

3. CONTRUBUTION TO CARLISLE CITY COUNCIL PRIORITIES

- 3.1. The THT plays a major contribution to the Council vision of improving the health, wellbeing and economic prosperity of the people of Carlisle.
- 3.2. The primary focus is on managing Tullie Museum through the exhibition of the City Council's collection and bringing in external collections.
- 3.3. In 2020 the THT secured temporary exhibitions from Rembrandt and Turner.
- 3.4. In 2020 the THT developed a new, permanent costume gallery to show the costume and textile collection. The funding for this new development was secured by the THT.
- 3.5. The THT also has Community Engagement as one of its two strategic priorities. This includes a wide variety of initiatives such as:
- The museum worked with a significant range of community groups including *Carlisle Mencap*, *Cumbria Youth Services*, *Carlisle Young Carers*, *Making Space* (for people who use art as a form of therapy to support ongoing mental health issues), *Unity* (people undergoing rehabilitation for addiction

issues), *Dementia Action Alliance*, *M-Unit*, *AWAZ*, *Multicultural Carlisle*, *Inspira* and many more.

- The THT runs a number of health and wellbeing groups for the community – Tullie Textiles, Accessible Art Group, Afternoon at the Museum and the TH Social History Group.
- The THT engages with over 15,000 school pupils annually through its award-winning learning programme. The service is used regularly by all the primary schools in Carlisle.
- Youth work. In addition to the two youth groups that we operate, the museum has also been running Hope Streets – a platform for 11-25 year olds from diverse backgrounds to work with heritage organisations and artists.

4. LEASE ARRANGEMENTS

- 4.1. **Tullie House Museum (THM)** - In section 1. Background above, there are brief details of how the current arrangement with the THT came into being. One of the various documents that was entered into between the Council and the THT was a lease between the parties for the THM. This was for a term of 30 years up until 31 March 2041. The principal details of this lease are set out in Appendix 2 to this report.
- 4.2. **Herbert Atkinson House (HAH)** – The Tullie House Trust (THT) currently occupy this building with the consent of the Council but there is no formal agreement in place to document this. Further information on the current working arrangements is set out in Appendix 2.
- 4.3. **6-24 Castle Street.** - This building is currently vacant having been last occupied by the University of Cumbria. It is in poor condition and in need of substantial refurbishment. The Council is currently bidding for Future High Street funding to assist with this. The THT currently do not use this building or have any agreement in place for it although the lease for the THM grants them access rights through the clock tower archway from Castle Street and use of the open yard which lies between this building and the THM. The THT have however expressed interest in using it in the future if it can be refurbished.
- 4.4. Both Herbert Atkinson House and 6-24 Castle Street were included in the Council's 2018 Asset Disposal Plan. The Asset Value of Castle Street (as at 31 March 2018) was £325,000. This has been updated in March 2020 to £275,000. The current plan for the Castle Street property is to await the outcome of the Future High Street Funding bid, as, if successful this may allow the Council to consider a wider range of disposal options. It may also offer the opportunity to achieve a more significant capital receipt. The THT, with their cultural offer, could potentially be one (of maybe

a number) of the eventual occupiers of building once it has been re-modelled / refurbished. At this stage however it is too early to commit to any party over the future occupation and use of this building given the Council's objective to achieve a capital receipt whilst at the same time bringing a vacant building back into beneficial use.

- 4.5. The Asset Value of Herbert Atkinson House in 2018 was £160,000. The 2020 value was unchanged. Presently, the occupation of this building by the THT prevents it being effectively marketed for sale. A substantial capital receipt will only be received with vacant possession.

4.6. Current Issues

A) THT have requested a new 99-year lease for the occupation and use of the THM. They have advised that this will enable them to better draw down funding for Project Tullie.

This request was considered by Executive (17th June 2019) and Executive resolved the following:

‘That the Executive agreed to the surrender and re-grant of a lease of Tullie House Museum to Tullie House Museum and Art Gallery Trust on final terms, including relevant break provisions, to be agreed by the Property Services Manager following consultation with the Corporate Director of Governance and Regulatory Services, together with the Portfolio Holder for Finance, Governance and Resources.’

In acting on this resolution the Council needs to consider whether this is an appropriate route. A lease of this length (99 years) is akin to a virtual freehold and normally in such circumstances, the long leaseholder would expect to take on all responsibilities for the asset. This is not however what the THT are suggesting as it is currently expecting the Council to carry on paying for major repairs etc as it does under the current terms. This is not a realistic position as the Council cannot reasonably commit to be responsible for these items over such a long period. It is proposed to hold discussions with the THT about how these responsibilities could be transferred to the THT if a 99 year lease is to be granted. It will though be important to understand how the THT propose to maintain the building and whether they can satisfactorily budget to do so.

B) THT are also seeking extensive refurbishment works of the basement area to assist with the storage of exhibits. The quotes for this work total a little under £80,000. This expenditure is a recent request and one that has not been budgeted for. There is no guarantee that this work would solve the current issue and therefore discussions need to be entered with the THT as to whether this is the most appropriate solution. The THT have previously advised Property Services that they

have a budget for an external solution, and this may be a better route for the current exhibit storage requirement.

C) THT are seeking a new 99-year lease of HAH on much the same terms as they currently have for the THM. Although the Council agreed to grant the THT a lease in 2014 (see appendix 1) this was for a shorter terms lease so in considering this request the Council needs to make much the same considerations as in 3.6 A) above.

D) THT have expressed an interest in securing a long lease for the freehold of 6-24 Castle Street especially if the Council can secure a sum from the Future High Street Fund bid to refurbish the building. As indicated in 3.4 above a decision on this can not be made at present as the Council needs to await the outcome of its funding bid and how it can best achieve a capital receipt in pursuit of the objectives of the asset Disposal Plan.

E) The most recent Conditions Survey for Tullie House Museum (2017) commissioned by the Council have identified significant repairs and renewals that are likely to exceed current budget expectations in the coming years. Whilst it is likely that the expenditure on future repairs can be stretched out to a degree, these do give an indication of the importance that needs to be attached to future maintenance costs in the context of the overall funding for these assets.

5. BUILDING AND COLLECTION FINANCIAL IMPLICATIONS

- 5.1. In addition to the core funding, inflation and services the City Council is responsible for other costs associated with the building and the collections.
- 5.2. The City Council owns the collections that THT exhibits. These are on the balance sheet for £18.3m, however they are insured for £30m as they are due to be re-valued and there is an expectation that the value has increased.
- 5.3. The Council's Property Services team incur costs in connection with the Council's obligations to maintain the building. More detail on these is provided in section 6 below and in Appendix 2.
- 5.4. The Council also insures the buildings and the exhibit / fine art collections. The average cost over the last two years for the range of insurance policies that the Council maintains on behalf of THM and HAH is in the order £96,000 per annum.

- 5.5. Under the terms of the lease the THT should pay the buildings insurance. The Partnership agreement states that Carlisle City Council will pay these costs. Carlisle City Council has continued to pay the buildings insurance. If lease arrangements are reviewed following the request by the THT, as outlined in section 4, this anomaly could be addressed as part of this stage.

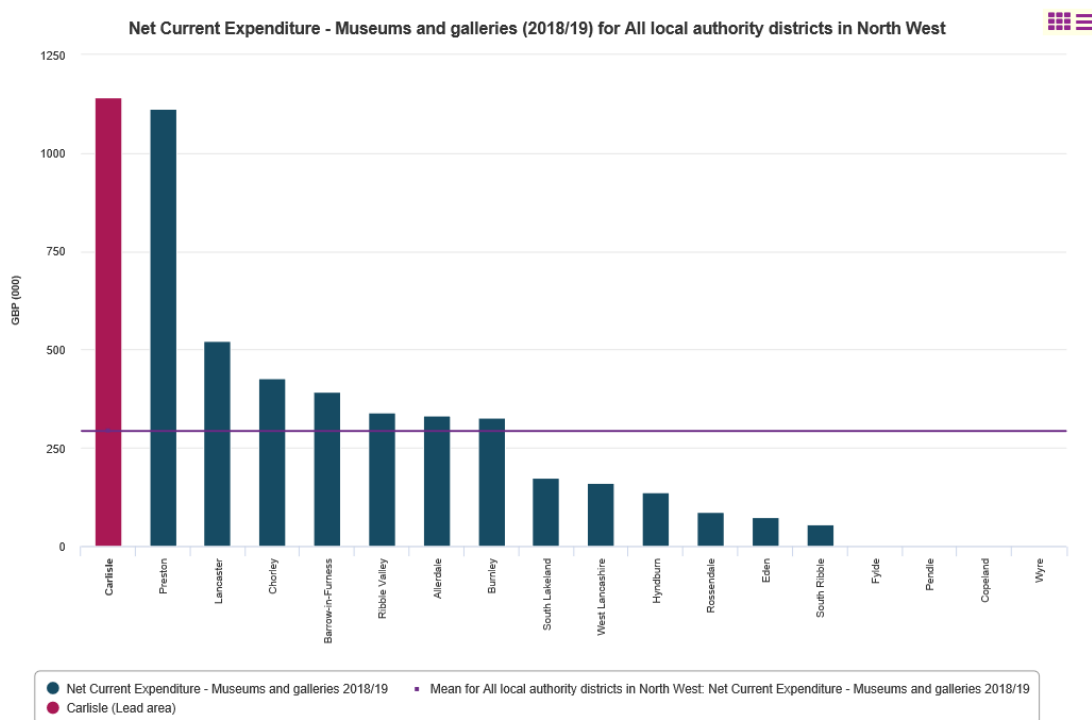
6. FINANCIAL OVERVIEW OF MUSEUM SERVICE

- 6.1. The revenue impact of the Museum Service on the Council budget is outlined below:

| Description | Funding 2020/21 |
|------------------------------|--------------------------|
| Core funding | £634,420 |
| Inflation | £178,568 |
| Services | £90,784 |
| Building maintenance/repairs | £50,000 |
| Building staff time | £29,000 |
| Collections insurance | £32,000 |
| Buildings insurance | £64,000 |
| <u>TOTAL</u> | <u>£1,078,772</u> |

- 6.2. The Council total revenue budget for all services for 2021/22 is projected to be c. £13.45m

- 6.3. Carlisle City Council is the lead local authority district in terms of spend on Museum Services in the north west.



- 6.4 Given the ongoing financial pressures on the Council it is considered that a more comprehensive transfer of assets and collections is worthy of further consideration with the THT during the next financial period. This work will need to be accommodated in the 2021/22 Community Services Directorate Plans.

7. IMPACT OF COVID

- 7.1. The Covid Pandemic has had a significant effect on THT. On March 19th, following Government requirements Tullie House closed the building to all visitors, furloughed non-essential staff and used the Coronavirus Job Retention Scheme (CJRS).
- 7.2. Tullie House partially re-opened on 8 July on reduced hours to try to generate income whilst maximising benefit from the government's CJRS.
- 7.3. On the 5th of November Tullie House was required to close and the museum reopened on the 3rd of December.
- 7.4. In October the THT received a grant of £494,800 from the Cultural Recovery Fund.
- 7.5. Due to a combination of social distancing measures and fragile customer confidence, the Museum has experienced a 70% decrease in previously projected visitor numbers and earned income since re-opening. Further details relating to the impact of the Covid-19 pandemic are covered in the THT Business Plan Appended to this report.
- 7.6. The Covid Pandemic has also had an impact on the City Council's financial position.

8. TULLIE HOUSE TRUST BUSINESS PLAN PROPOSAL

- 8.1. The THT business plan highlights that the combined effects of the loss of income this year and next mean that the trust is no longer in a position to afford the previously planned reductions in core funding of £50k in 2021/22, or the further cut of £150k proposed by the Council in 2022/23.
- 8.2. The THT business plan states that if these cuts go ahead, by the end of 2021/22 Tullie House will have negative free reserves of £80k and, by the end of 2022/23, negative free reserves of £180k.
- 8.3. The THT business plan states that without the proposed cut of £50k in 2021/22 there will be negative free reserves of £25k.

- 8.4. The THT business plan suggests that Project Tullie would have to stop if the existing MTFP reductions remain.
- 8.5. However, THT has kept in the existing MTFP reductions in the core funding in their business plan for 2021/22.
- 8.6. The indicative core funding proposals for 2022/23 and 2023/24 proposed are not in line with the MTFP.
- 8.7. As per the recommendations from the 12/10/2020 Executive meeting, officers sought alternative scenarios from the THT on how they would propose to manage the service with the Council's current proposed reductions in core funding 2021-2024. No scenarios were submitted.

9. TULLIE HOUSE TRUST CAPITAL REQUEST

- 9.1. In addition to the above revenue proposals the 2020-2025 THT Business plan requests that the Council provide a capital contribution of 'no less than £3m' towards Project Tullie.
- 9.2. The request is for the capital contribution to be spread over three years starting in 2021/22.
- 9.3. THT recognises that this is a significant ask, but highlights that it is 20% of the total project value (£14m).
- 9.4. This is not built into the current Council's capital budgets or MTFP. There would be significant revenue implications for the Council's MTFP if agreed as the City Council would need to carefully consider funding options, balancing these against other Council commitments and long-term plans.

10. SUMMARY

- 10.1. The business plan submitted by THT retains the figures set out in the MTFP for core funding for 2021/22.
- 10.2. The business plan submitted by the THT has the core funding for 2022/23 and 2023/24 from the Council set at £100,000 more than the MTFP.

- 10.3. The MTFP has core funding savings in for 2021/22 (£50,000) and 2022/23 (£150,000). There are no further savings planned in 2023/24.
- 10.4. Since the submissions of the THT Business Plan the Trust has received £494k Covid support grant from the Cultural Recovery Fund (outlined in 7.4 of the Executive report).
- 10.5. The Trust have now stated that this grant puts them in a position where they can now accept the Council's grant funding reduction of £50k in 2021/22 and a further £50k reduction in 2022/23.
- 10.6. However, the Trust still object to a further proposed £100k reduction in 2022/23. The Trust state that they have run through various scenarios to deal with this level of reduction and found that none of these are viable. Council officers have not seen these scenarios
- 10.7. The Partnership agreement states that core funding should be set for the following financial year and indicative figures given for the subsequent two years.
- 10.8. For clarity the Council MTFP proposals and the THT trust proposals for the next three financial years have been separated out below.
- 10.9. 2021/22 core funding:
1. The Council MTFP core funding proposal - £584,420.
 2. The THT core funding proposal £584,420.
- 10.10. 2022/23 indicative core funding:
1. The Council MTFP core funding proposal - £434,420.
 2. The THT core funding proposal - £534,420.
This would require recurring saving of £100,000 to be identified elsewhere in the revenue budget.
- 10.11. 2023/24 indicative core funding:
1. The Council MTFP core funding figure - £434,420.
 2. The THT proposal - £534,420.
- 10.12. The current Capital Investment Strategy does not include any investment towards Project Tullie at this stage and a full business case would need to be considered to understand the total impact a potential investment of 'no less than £3m' would

have on Council's Reserves as it is likely additional borrowing would need to be undertaken to fund this request if it is progressed.

- 10.13. THT have also raised a number of other matters related to maintenance, Project Tullie and property leases. The Portfolio Holder and Deputy Chief Executive plan to meet with the THT chair and Director in the New Year.

11. CONSULTATION

- 11.1. The Tullie House Trust Business Plan was considered by Carlisle Health and Wellbeing Scrutiny Panel on the 19/11/20 and the Executive on the 12/10/20 and the 14/12/20

- 11.2. The Health and Wellbeing Scrutiny Panel resolved:

- 11.3. That the Panel had considered the funding proposals made by Tullie House Board, in the context of the information that they provided regarding challenges and opportunities set out in their Business Plan contained in report CS.35/20.

- 11.4. The Panel recommend to the Executive that they revisit the Business Case for investment in Project Tullie.

- 11.5. That Mr Smith, Mr Mackay and Ms Smalley be thanked for their presentations and for their detailed answers to the Panel's questions.

- 11.6. The Executive resolved:

- That the Executive had reviewed the Tullie House Business Plan before making any recommendations to full Council for consideration.
- That the Executive had considered the proposals made by the Tullie House Board for core funding from 2021/22 to 2023/24 as at page 42, point 6.3 of the Business Plan; and that future core grant allocations for 2021/22 to 2023/24 remain as built into the Council's current Medium Term Financial Plan.

12. CONCLUSION

- 12.1. That Carlisle City Council agree and approve the Tullie House Trust core funding in line with the Partnership agreement.

13. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

13.1. “We will develop vibrant sports, arts and cultural facilities, showcasing the City of Carlisle”.

Contact Officer: Darren Crossley

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**Appendices
attached to report:**

- Tullie House Trust Business Plan 2020-25 September Update
- Building and collection financial implications additional information

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

- None

CORPORATE IMPLICATIONS:

LEGAL – The agreement between the Council and Tullie House Museum & Arts Gallery Trust requires that, as part of the grant funding process, the Trust submit a business plan for approval which both parties must use their best endeavours to agree by no later than 31 December of each year. In February, the Council approves its budget for 2021/22, as per normal, the following two years’ grant is indicative only.

FINANCE – The Medium-Term Financial Plan assumes provision for the core funding of the Tullie House Trust in accordance with the Funding Agreement and includes reductions in the core funding which have been previously agreed. In line with standard procedures, further work is required in respect of the inflation calculation for 2021/22. The Medium-Term Financial Plan assumes a phased introduction of recurring savings to the grant payable to Tullie House following receipt of a jointly commissioned report; this has been assumed at £50,000 from 2021/22 and a further £150,000 from 2022/23. Reversing the planned reduction from 2021/22 would result in a pressure on the Council’s revenue budget of £50,000 in 2021/22 and a recurring pressure of £200,000 from 2022/23.

The proposed disposal of Herbert Atkinson House and 6-24 Castle Street are included within the Asset Disposal Plan which is embedded within the Council’s financial planning processes. These assets are expected to generate capital receipts of £160,000 and £275,000 respectively. If a new lease arrangement is agreed with Tullie House Trust for

Herbert Atkinson House, the asset is likely to be retained and removed from the Asset Disposal Plan and therefore no capital will be received.

Any potential revenue savings to the Council resulting from the requested revised lease arrangements will be confirmed and reported back to Executive.

The current Capital Investment Strategy does not include any investment towards Project Tullie at this stage and a full business case would need to be considered to understand the total impact a potential investment of 'no less than £3m' would have on Council's Reserves as it is likely additional borrowing would need to be undertaken to fund this request if it is progressed.

EQUALITY –

INFORMATION GOVERNANCE –

**TULLIE
HOUSE**

**125 YEARS
CARLISLE**

PRIVATE REPORT



Tullie House Business Plan **2020/21 - 2025/26** *September 2020 Update*

Tullie House Business Plan 2020/21 - 2025/26

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Business Plan, 2020/21, Strategic Update: Short-term survival, long-term growth

Overview

2020 was the year that everything changed as a consequence of Covid-19 (C-19), the global pandemic.

The last financial year (2019/20) was our most successful year for almost a decade with visitor numbers exceeding 200,000 and earned income up by 17% before the C-19 lockdown. The end of that reporting period coincided with the national lockdown and an enforced shutdown of over three months, which dominated the first quarter of 2020/21.

Tullie House partially re-opened on 8 July on reduced hours to try to generate income whilst maximising benefit from the government's Coronavirus Job Retention Scheme (CJRS). Due to a combination of social distancing measures and fragile customer confidence, the Museum has experienced a 70% decrease in previously projected visitor numbers and concomitant earned income since re-opening.

The national lockdown is gradually being relaxed but at the same time there is now the on-going threat of local lockdowns and a widespread expectation that the current restrictions and accompanying public sentiment resulting from living with the pandemic will continue well into 2021/22.

As a result of this national uncertainty and the huge financial impact the pandemic has had on Tullie House, this business plan has been updated to illustrate the scenario planning work that has been undertaken to assess the likely future viability of the Trust. Most of the chapters have been updated accordingly. The financial analysis provided in this Business Plan is therefore both realistic and robust and takes into account the depressed visitor market as a result of the pandemic.

Despite the seismic impact of the pandemic on the cultural and visitor economy, the core element of our pre-pandemic strategy remains. The capital renewal set out in our *Project Tullie* plan is fundamental to our medium to long-term financial viability. Indeed, in the context of the coronavirus pandemic, *Project Tullie* is arguably more vital than ever. In order to recover from the impact of the pandemic and re-establish Tullie House as Carlisle's pre-eminent visitor attraction it is all the more pressing that we create a visitor experience that is fit for purpose, able to do justice to the city's long history and provide the bedrock for renewing and growing the Museum's non-grant income.

Short term-survival

Prior to the pandemic our strategy for dealing with the planned reduction in funding from the Council was a combination of: short-term measures, including revising our admissions policy to grow income and cutting costs by replacing paid gallery staff with volunteers; and the longer-term improvements that *Project Tullie* would enable.

The pandemic has put paid to the projected gains and savings we had planned and will place additional, considerable strain on our reserves over the next 18 months. Our reserves – combined with the increase in income we had projected before the pandemic – would have been just sufficient to cope with the planned cuts in our core funding by the Council which were due to take place this year and the reduction planned in 2021/22.

However we are now projecting a reduction in earned income of £320k in 2020/21. Whilst this has been mitigated to some extent by our application for the maximum amount of support available under the CRJS, a rates discount and the fact that all non-essential activity and expenditure was suspended from mid-March to the end of June, we are still projecting a final operating result less than originally expected. Moreover, with the end of CJRS in October 2020, but no end in sight to social distancing and other business-limiting safety measures, we expect to make a significant loss next year of c.£250k, compared with a break-even position originally projected.

Tullie House's "free" reserves at the start of this year were £200k. This is already below the minimum target level set by the trustees of £250k. Other reserves are not available to use to cover losses, being represented either by fixed assets (£450k), restricted funds (£360k) or amounts designated by trustees for progressing *Project Tullie* (£75k).

The combined effects of the loss of income this year and next mean that Tullie House is no longer in a position to afford the previously planned cut in core funding of £50k in 2021/22, let alone the further cut of £150k proposed by the Council in 2022/23. If these cuts go ahead, by the end of 2021/22 Tullie House will have negative free reserves of £80k and, by the end of 2022/23, negative free reserves of £180k if the full £150k cut in Council funding is implemented that year. Even without the proposed cut of £50k in 2021/22 there will be negative free reserves of £25k.

Unless the Council is prepared to reconsider and reverse these planned cuts in core funding, without other grant funding, the trustees will have to abandon *Project Tullie* in order to free up designated reserves to cover these losses. However, without the *Project Tullie* investment, losses would continue into the future. Free reserves would remain below the minimum level set by trustees which would trigger a "critical incident" report to the Charity Commission early in 2021 as the Trust would face significant uncertainty regarding its ability to remain a going concern. The Trust has no fixed assets that it can sell, nor an endowment fund to fall back on.

If the Council agrees to reverse the planned cuts, the Trust will still face a projected free reserves deficit of £25k by the end of 2021/22 and the trustees will still need to consider whether it remains viable for Tullie House to progress *Project Tullie*. This will in part depend on the Council's support for that project as further set out below and the availability of other grant funding.

Many UK museums and art galleries are in the same position as Tullie House and the Government, Arts Council England and the National Lottery have all responded to this through various emergency funding programmes. Tullie House has applied for this support, but to date has not been successful because it has sufficient reserves to survive this financial year. We are continuing to pursue all possible opportunities for this grant-aid¹ support, which we regard as essential for Tullie House's medium and long-term financial sustainability.

At the time of writing, after eight weeks of re-opening, the Museum's earned income is in line with others in the sector at around 30% of pre-pandemic levels. Our café and shop are open but not reaching break-even figures at current visitor levels and commercial activity such as venue hire has dried up. We have significantly increased charitable messaging to encourage greater individual giving and membership sign-ups, but this comes nowhere close to the level of support we need.

¹ Three emergency funding grant applications were submitted in August. The outcome of these applications will be known in September and October. Only the application to the DCMS/ACE Cultural Recovery Fund will have a material affect.

Should the Council choose to not review its proposed core funding reduction and without new grant-aid the Trust will have exhausted all options and the museum will not be financially sustainable beyond the end of 2021/22.

Long-term growth

If the museum is able to stabilise and survive the current period of economic upheaval, *Project Tullie*, our plan for renewal of the Museum, is fundamental to Tullie House's survival as a going concern.

The comprehensive masterplan clearly demonstrates that with significant capital investment and the right business model Tullie House can be less reliant on income from the Council and therefore become more independently sustainable. Phase I of *Project Tullie* is currently estimated at just under £17m. We believe that the case for capital investment has been made via this Business Plan and the *Project Tullie* masterplan. In addition to securing the Museum's future, the project will also deliver huge economic and social benefit to Carlisle and the wider city region. It is clear from community and visitor research that the demand is there.

Unfortunately, the pandemic has also impacted on these plans as it has prevented us from re-submitting a Stage 1 application to the National Lottery Heritage Fund (NLHF) for *Project Tullie*. NLHF has suspended its major capital grants programme while it focuses its support on smaller heritage organisations whose immediate survival is under threat.

We plan to submit our Lottery application as soon as the NLHF re-opens its funding streams. However, in order to deliver such an ambitious and transformative scheme the NLHF will expect to see a significant capital contribution from the owners of the collections and the building – the Council. We are therefore requesting a capital contribution from the Council of no less than £3m spread over three consecutive years commencing 2021/22². We recognise that this is a significant ask for the Council but, in context, it is less than 20% of the overall scheme and will lever £14m into the project and therefore the Carlisle economy. It therefore represents considerable value for money. We also believe that this support will be vital to our success with our NLHF bid, as it will demonstrate the Council's support for the wider economic and social benefits that *Project Tullie* will bring to Carlisle.

This level of support will ensure that *Project Tullie* maintains momentum and that the long-term future of the Museum is secured. Without this investment, survival in the short term will preface continued financial challenges in the years to come and will be a significant opportunity lost.

Andrew Mackay
Director

² The project start date is dependent on other funders. This is our preferred scenario.

1.

Introduction: Vision, Mission, Aims and Objectives

1.1 Context: a period of change

Tullie House Museum and Art Gallery Trust operates and manages Tullie House Museum and Art Gallery in Castle Street, Carlisle, which is our principal place of business, and the Guildhall, a 14th century Grade I Listed building in the Greenmarket.

Additionally, the Trust occupies industrial premises for off-site collections storage, and in 2014 Carlisle City Council provided access to the adjacent Herbert Atkinson House in Abbey Street. This building is now used to house the Cumbria Biological Data Centre, the Programme & Development team and staff seconded by Lancaster University Confucius Institute.

All of these premises are leased by the Trust from Carlisle City Council, as are the collections. The Trust manages the buildings and collections on behalf of the City Council.

This business plan sets out Tullie House's ambitions and plans for the next 6 years from 2019/20 to 2024/25.

This period is set to be one of significant change for the museum, and will encompass three important strands of activity and development:

1. **The delivery of the first phase of *Project Tullie***, our masterplan to transform Tullie House Museum into the creative and cultural heart of the borderlands for the 21st century.
2. **The completion of Arts Council England's (ACE) current cycle of investment in Tullie House Museum Trust, Wordsworth Trust and Lakeland Arts Trust as a consortium (CMC³)** being funded until 2022/23⁴ as a National Portfolio Organisation (NPO). During the period covered by this plan we will be making the case for continued NPO investment by ACE in the museum.
3. **To work in close partnership with Carlisle City Council to further reduce Tullie House's dependence on its core support** in a way that delivers long-term financial sustainability and enables Project Tullie to be delivered.

The arrival of the global Covid-19 pandemic from March 2020 has of course had a significant impact on Tullie House. This business plan has been updated to reflect this and our immediate priority is ensuring the survival of the Museum in the short term.

Despite the seismic impact of the pandemic on the cultural and visitor economy, our strategic aims remain unchanged. The capital renewal set out in our *Project Tullie* plan is fundamental to our medium to long-term financial viability. Indeed, in the context of the coronavirus pandemic, *Project Tullie* is arguably more vital than ever. In order to recover from the impact of the pandemic and re-establish Tullie House as Carlisle's pre-eminent visitor attraction it is all the more pressing that we create a visitor experience that is fit for purpose, able to do justice to the City's long history and provide the bedrock for renewing and growing the Museum's non-grant income.

³ Cumbria Museum Consortium

⁴ Extended by one year as a result of C-19

1.2 Vision and Mission

Tullie House Trust's **Vision** is:

"To be a thriving, resilient organisation that delivers ambitious cultural programmes inspired by the richness and diversity of our collections, that are relevant and beneficial to local communities and visitors alike."

Its **Mission** is:

"To deliver an outstanding, inclusive and resilient museum that is a major cultural destination for the north, and which uses its collections to produce a world class public programme targeted at visitors and the people of Carlisle and engages a broad spectrum of audiences."

1.3 Aims and Objectives

At the beginning of 2016 we introduced the *Tullie House Manifesto* and this forms the basis of all our work and, in particular, our two strategic priorities. **Community Engagement** is at the very heart of the Manifesto and we will work hard to ensure that our community influences what we do and how we do it. We will communicate better, involve more people and open up new opportunities for people to be inspired by the collections we hold.

Our other priority area – **Financial Sustainability** – is also underpinned by the Manifesto. Greater engagement will increase visitor numbers and therefore admission income and secondary spend. However, we have also been testing the market – asking our users what they want – and, providing we can secure the required funding, some of their responses will be implemented over the next three years. For example: the creation of a permanent Costume Gallery to show, for the first time, our world class textile collection and aimed at increasing audiences and providing contemporary interpretation as well as improved visitor facilities.

We recognise the need to improve performance, gather data and respond to visitor needs; these are all strands within the Manifesto but the challenge is to weave community engagement and financial resilience together so that we can develop our role, connect better with our audiences and deliver inspiring and popular programmes.

In 2018 we set out our aims and objectives as follows:

- **Aim 1: Financial Sustainability**

The CMC has secured NPO status from ACE for the period 2018 to 2023, however, Carlisle City Council has reduced its funding in 2020/21, and has indicated that further reductions are likely to follow in 2021/22 and 2022/23. Prior to the pandemic our strategy for dealing with the planned reduction in funding from the local authority was a combination of short-term measures (including revising our admissions policy to grow income and introducing volunteer engagers to our galleries) and the longer-term improvements that *Project Tullie* would enable. This strategy is set out in the following objectives:

- Objective 1: Develop an organisational focus on generating greater earned income (including catering, retail and admissions)
- Objective 2: Improve management information so that we can better manage performance
- Objective 3: Secure funding to initiate a programme of capital developments designed to generate a significant increase in earned income
- Objective 4: Actively increase income from trusts, foundations, individuals and corporates

Tullie House Business Plan

- **Aim 2: Community Engagement**

Looking beyond the impact of the pandemic on visitor numbers, the Trust sees developing its engagement programme as key to developing audiences – extending its reach and diversifying and growing the number of people interacting with the collections are core purposes that will also help make the organisation more sustainable.

- Objective 5: Focus on developing greater engagement with the Carlisle community
- Objective 6: Continue to work with the least engaged groups within Carlisle and the surrounding area
- Objective 7: Strengthening our Borderlands offer so that our collections can help people better understand our unique region, Hadrian's Wall and significance of Carlisle as a destination city
- Objective 8: Develop international audiences from China or with communities interested in Chinese culture

Within these eight objectives is a schedule of specific actions and priorities (see our current Action Plan, Appendix I). The Action Plan includes the ACE CMC commitments, some of which are shared across the consortium.

1.4 Project Tullie

Project Tullie, our masterplan to *transform Tullie House Museum into the creative and cultural heart of the borderlands for the 21st century*, is fundamental to the delivery of this business plan. Although the capital costs fall outside the revenue budgets presented here, the delivery of the project is crucial in our ability to fulfil many of the aims and objectives outlined above, notably:

| | Tullie House Objective | Project Tullie Outcome |
|-------------|--|--|
| Objective 1 | Develop an organisational focus on generating greater earned income (including catering, retail and admissions) | Significant improvement in visitor experience and facilities, increasing visitor numbers and spend |
| Objective 4 | Actively increase income from trusts, foundations, individuals and corporates | Improvement in the range and quality of activities, providing more fundable opportunities |
| Objective 5 | Focus on developing greater engagement with the Carlisle community | Improved visitor experience and facilities; improved education and community spaces; increased opportunities for co-curation and creative engagement |
| Objective 6 | Continue to work with the least engaged groups within Carlisle and the surrounding area | As above |
| Objective 7 | Strengthening our Borderlands offer so that our collections can help people better understand our unique region, Hadrian's Wall and significance of Carlisle as a destination city | Engaging the community to help redisplay the collections, display of more relevant collections and tell inspiring stories |

In Summary, *Project Tullie* has outcomes focused on three themes:

People

Creating a sense of inclusivity and community, being a catalyst for creative engagement

Place

Re-imagining the original purpose of Tullie House as Carlisle’s centre of arts, learning and knowledge

Heritage

Revealing and restoring the existing buildings and sharing hidden collections

These themes are founded on:

- growing and diversifying local, regional and national audiences;
- increasing financial sustainability;
- partnership working;
- enhancing the city and region’s profile and impact

The following graphic summarises the vision for *Project Tullie*:

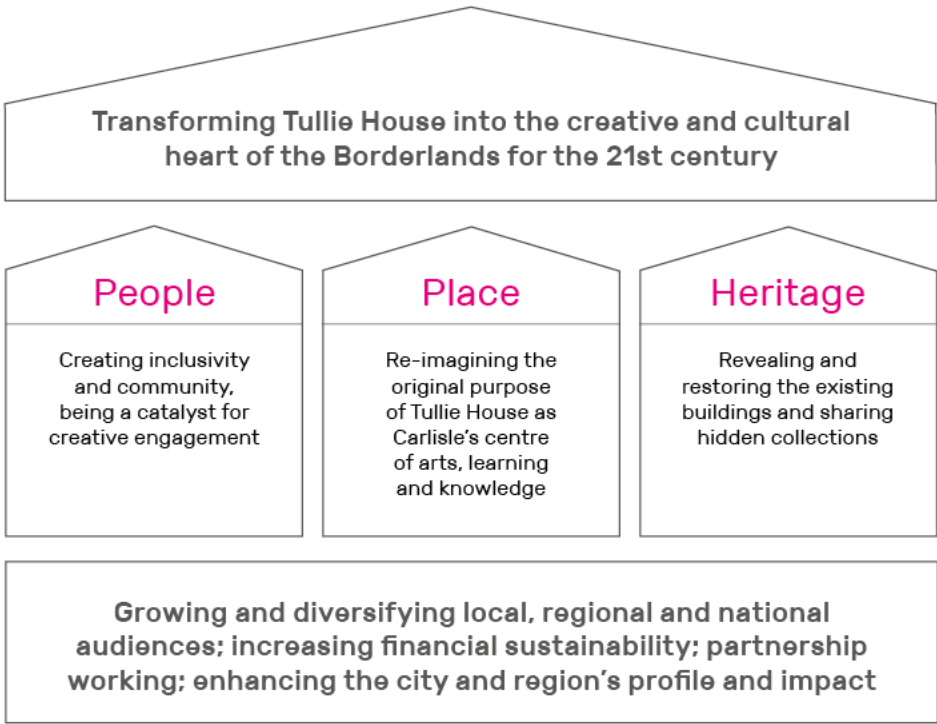


Figure 1
Project Tullie Vision, Outcomes and Foundations

1.5 Business Plan KPIs: Impact of Covid-19

During the period of this business plan Tullie House will grow and develop as an institution, safeguarding its current strengths and improving its financial sustainability, developing new audiences, attracting more visitors and engaging local people and visitors alike.

In order to provide a headline picture of desired change and in order to track progress against ‘what success will look like’, a range of KPIs has been adopted by the board. The pandemic has had a significant

impact on visitor and income levels and the timescale of the national recovery from this is uncertain. The KPIs have been accordingly updated to reflect the impact of Covid-19 and our plans for recovery:

| KPI | Pre-pandemic (2018/19 Actual) | Pandemic year (2020/21 Projected) | Pandemic recovery year (2022/23) (post-Costume Gallery) | By 2026 (post-Project Tullie) |
|---|-------------------------------|-----------------------------------|---|-------------------------------|
| Visitor Numbers | 40,743 | 11,400 | 47,000 | 80,000 |
| Learning Programme Numbers ⁵ | 33,176 | 10,000 | 36,575 | 45,000 |
| Net Promoter Score ⁶ | 81 | 81 | 85 | 91 |
| Visitor types: increasing the proportion of harder to reach audiences | Facebook Families: 7% | Facebook Families: 7% | Facebook Families: 9% | Facebook Families: 14% |
| Admissions income (£/% of total) | £130,000 / 7% | £49,000 / 3% | £225,000 / 12% | £500,000 / 21% |
| Trading income (net) (£/% of total) | £76,000 / 4% | £19,000 / 1% | £118,000 / 5% | £178,000 / 8% |
| Council funding / contract (% of total) | 49% | 46% | 43% | 38% |

1.6 Developing our business model: an overview

Tullie House operates a mixed business model, combining earned income from admissions and trading with core contract / grant income from Carlisle City Council and Arts Council England and raised income from various charitable sources.

Looking beyond the short-term impact of the pandemic, proposed changes to the museum and expected changes in the external environment mean that we anticipate both the amount and proportion of these income streams will change. There will be an increased emphasis on growing admissions and trading income, with relatively static (and in some cases reducing) support from elsewhere. Detailed figures are described in the plan and presented in Sections 6,7 and 8. The table on the following page shows how we expect the business model (income and expenditure) to change from the most recent full year to the final year of this plan, taking into account both the impact of the pandemic and the delivery of Project Tullie.

The key working assumptions (which are discussed in more detail in Sections 6 and 7 of this business plan) include:

- Further reductions in Council funding (a total reduction of £100K in the core grant before inflation by 2022/23 (*see Section 6.3 for further discussion of this*);
- Continued NPO funding from Arts Council England at a standstill level from 2023/24 onwards;
- Reductions in earned income from admissions and trading to 30% of pre-pandemic levels in 2020/21 and 2021/22 reflecting the impact of the pandemic on these income streams in Summer 2020.
- Inflation is included in the business plan projections and is assumed to be 2% per annum.

⁵ Consisting of engagement numbers of schools, families, young people, community, talks and outreach programme

⁶ National measure, from –100 to +100; Tullie House is well above national average

- Future capital income and expenditure on *Project Tullie* is excluded.
- Delivery of the new Costume Gallery in 2020. We had anticipated an increase in annual visitors by c. 10,000 per annum as a result of this, however due to Covid-19 this is no longer the case.
- Revised charging structure with a single Annual Pass Ticket for adults (no concessions) with children free (unless part of a charged-for structured school visits);
- Our planned price rise from £10 to £11 (including VAT) for the Annual Pass ticket in 2020 has been postponed due to Covid-19.
- An increase in the annual ticket price to £14 (including VAT and inflation) for the same ticket after the delivery of *Project Tullie* in 2025
- *Project Tullie* Phase 1 is delivered during this period, with construction in 2024/25 and completion in April 2025;
- No admissions, catering or retail income are included in 2024/25, to reflect the potential need for temporary closure during the *Project Tullie* construction works. *(NB: this is not confirmed or agreed at Trustee level but is a prudent working assumption at this early planning stage);*
- Following the completion of *Project Tullie*, our Primary Scenario illustrates c. 80,000 ticketed visits per annum (with a spike in year 1 of opening). We have also prepared detailed scenarios showing 70,000 and 60,000 ticketed visits per annum.

Summary of Projected Income & Expenditure 2020/21 – 2025/26, Primary Scenario

| | | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|---|--|-------------------|------------|------------|------------|----------------|------------|
| | | Costume & Gallery | | | | Project Tullie | Project |
| | | Opens | | | | Construction | Completion |
| Inflation | | 2% | 2% | 2% | 2% | 2% | 2% |
| | | 1.02 | 1.04 | 1.06 | 1.08 | 1.10 | 1.13 |
| | | | | | | | |
| | | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate |
| Footfall | | Covid-19 Impacted | | 206,000 | 206,000 | 0 | 206,000 |
| Ticketed Admissions | | 10,134 | 13,719 | 47,873 | 48,493 | 0 | 84,000 |
| | | (30% Scenario) | | | | | |
| Income | | | | | | | |
| Carlisle City Council Management Fee | | 897,430 | 882,964 | 866,205 | 899,946 | 917,944 | 936,303 |
| Other Core Funding | | 536,523 | 444,523 | 444,843 | 445,169 | 445,502 | 445,842 |
| Other Grants & Sponsorship | | 398,028 | 163,000 | 166,060 | 169,181 | 177,365 | 185,612 |
| Admissions | | 58,812 | 63,442 | 249,717 | 252,886 | 0 | 507,955 |
| Trading (net of direct costs) | | 19,347 | 33,972 | 118,216 | 119,317 | 1,476 | 168,873 |
| Learning Income | | 5,664 | 11,555 | 39,288 | 40,074 | 0 | 41,693 |
| Talks and other income/charges | | 3,978 | 4,058 | 13,796 | 14,072 | 0 | 30,500 |
| Interest and Investments | | 6,000 | 6,000 | 6,000 | 6,000 | 500 | 1,000 |
| Central Charges | | 38,500 | 51,000 | 51,000 | 51,000 | 51,000 | 51,000 |
| Total Museum Income | | 1,964,282 | 1,660,514 | 1,955,125 | 1,997,645 | 1,593,787 | 2,368,778 |
| CBD Council Gross Income | | 93,592 | 95,040 | 96,518 | 98,025 | 105,562 | 107,630 |
| Total Income | | 2,057,874 | 1,755,554 | 2,051,642 | 2,095,669 | 1,699,349 | 2,476,407 |
| | | | | | | | |
| Expenditure | | | | | | | |
| Staffing Costs | | £988,165 | £898,826 | £929,525 | £948,116 | £902,903 | £1,065,985 |
| Exhibitions and Projects | | 631,627 | 297,890 | 300,950 | 304,071 | 307,255 | 310,502 |
| Utilities | | 114,042 | 154,669 | 160,856 | 167,290 | 86,991 | 180,941 |
| Operational expenditure | | 406,403 | 457,701 | 467,490 | 476,816 | 483,283 | 499,862 |
| Central Costs Allocated to Trading | | 39,785 | 95,874 | 97,792 | 99,748 | 105,559 | 107,670 |
| Capital Renewal Allowance | | 0 | 0 | 0 | 0 | 0 | 25,000 |
| Total Museum Expenditure | | £2,180,022 | £1,904,960 | £1,956,613 | £1,996,041 | £1,885,990 | £2,189,960 |
| CBD Council Costs | | £78,357 | £95,000 | £96,900 | £98,838 | £100,815 | £102,831 |
| Total Expenditure | | £2,258,379 | £1,999,960 | £2,053,513 | £2,094,879 | £1,986,805 | £2,292,791 |
| | | | | | | | |
| Surplus (Deficit) | | (£200,505) | (£244,406) | (£1,871) | £791 | (£287,456) | £183,616 |
| Transfer from Reserves (restricted funding) | | 270,608 | 0 | 0 | 0 | 0 | 0 |
| Final position after planned transfer | | 70,103 | (244,406) | (1,871) | 791 | (287,456) | 183,616 |
| | | | | | | | |
| Contingency Allowance | | £0 | £0 | £0 | £0 | £0 | £25,000 |
| Contribution to Reserves | | £70,103 | (£244,406) | (£1,871) | £791 | (£287,456) | £79,308 |
| Inv. in Project Tullie later phases | | £0 | £0 | £0 | £0 | £0 | £79,308 |

Note on capital expenditure

- Capital income and expenditure on *Project Tullie* is *excluded*; we have not included estimates of future capital costs given their likely scale and provisional nature of amounts and timing.

1.7 Reserves during the period of the business plan

The pandemic has put paid to the projected gains and savings we had planned and will place additional, considerable strain on our reserves over the next 18 months. Our reserves – combined with the increase in income we had projected before the pandemic – would have been just sufficient to cope with the planned cuts in our core funding by the Council which were due to take place this year and the reduction planned in 2021/22.

However we are now projecting a reduction in earned income of £320k in 2020/21. Whilst this has been mitigated to some extent by our application for the maximum amount of support available under the CRJS, a rates discount and the fact that all non-essential activity and expenditure was suspended from mid-March to the end of June, we are still projecting a final operating result less than originally expected. Moreover, with the end of CJRS in October 2020, but no end in sight to social distancing and other business-limiting safety measures, we expect to make a significant loss next year of c.£250k, compared with a break-even position originally projected.

Tullie House's "free" reserves at the start of this year were £200k. This is already below the minimum target level set by the trustees of £250k. Other reserves are not available to use to cover losses, being represented either by fixed assets (£450k), restricted funds (£360k) or amounts designated by trustees for progressing *Project Tullie* (£75k).

The combined effects of the loss of income this year and next mean that Tullie House is no longer in a position to afford the previously planned cut in core funding of £50k in 2021/22, let alone the further cut of £150k proposed by the Council in 2022/23. If these cuts go ahead, by the end of 2021/22 Tullie House will have negative free reserves of £80k and, by the end of 2022/23, negative free reserves of £180k (if the full £150K cut in Council funding is implemented that year). Even without the proposed cut of £50k in 2021/22 there will be negative free reserves of £25k.

Unless the Council is prepared to reconsider and reverse these planned cuts in core funding, without other grant funding, the trustees will have to abandon *Project Tullie* in order to free up designated reserves to cover these losses. However, without the *Project Tullie* investment, losses would continue into the future. Free reserves would remain below the minimum level set by trustees which would trigger a "critical incident" report to the Charity Commission early in 2021 as the Trust would face significant uncertainty regarding its ability to remain a going concern. The Trust has no fixed assets that it can sell, nor an endowment fund to fall back on.

Post Project Tullie

Following the completion of *Project Tullie*, in the event of reaching our primary scenario target of an average of 80,000 ticketed visits each year, it is anticipated that the Museum will take about six years after the completion of *Project Tullie* to replenish its reserves to current levels. This allows for elements of annual surpluses to be allocated to contingency and investment in future phases of *Project Tullie*, as well as reserve replenishment. For this reason, it is important for the Trust to be able to build a model which delivers surpluses to support these three key ambitions.

| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|---|-----------|-----------|----------|----------|------------------------|------------------------------|
| | | | | | Construction Closed | Project Tullie Completion |
| Surplus/(Deficit) | (200,505) | (244,406) | (1,871) | 791 | (287,456) | 183,616 |
| Planned transfer from Reserves/(restricted funding) | 270,608 | 0 | 0 | 0 | 0 | 0 |
| Final position after planned transfer from Reserves | 70,103 | (244,406) | (1,871) | 791 | (287,456) | 183,616 |
| Contingency Allowance | 0 | 0 | 0 | 0 | 0 | 0 |
| Contribution to Reserves | 70,103 | (244,406) | (1,871) | 791 | (287,456) | 183,616 |
| Investment in Project Tullie later phases | 0 | 0 | 0 | 0 | 0 | 0 |
| Unrestricted Cash b/fwd | 197,661 | 167,764 | (76,601) | (78,854) | (78,876) | (361,585) |
| Profit/(Loss) in the year | 70,103 | (244,406) | (1,871) | 791 | (287,456) | 183,616 |
| Additional Designation for Project Tullie | (100,000) | | | | | |
| Expenditure from prior year allocation | 0 | 40 | (382) | (813) | 4,747 | 4,799 |
| Unrestricted Cash e/fwd | 167,764 | (76,601) | (78,854) | (78,876) | (361,585) | (173,171) |
| Designated and Fixed Asset Reserves b/fwd | 557,264 | 837,635 | 787,635 | 737,635 | 687,635 | 637,635 |
| Addition/(depreciation) to Fixed Assets in the year | 180,371 | (50,000) | (50,000) | (50,000) | (50,000) | (50,000) |
| Additional Designation for Project Tullie | 100,000 | 0 | 0 | 0 | 0 | 0 |
| Expenditure from prior year allocation | 0 | 0 | 0 | 0 | 0 | 0 |
| Designated and Fixed Asset Reserves e/fwd | 837,635 | 787,635 | 737,635 | 687,635 | 637,635 | 587,635 |
| Restricted b/fwd | 279,826 | 84,219 | 84,219 | 84,219 | 84,219 | 84,219 |
| Profit/(Loss) in the year | (195,607) | 0 | 0 | 0 | 0 | 0 |
| Expenditure from prior year allocation | 0 | 0 | 0 | 0 | 0 | 0 |
| Restricted e/fwd | 84,219 | 84,219 | 84,219 | 84,219 | 84,219 | 84,219 |
| CBDC Designated b/fwd | 80,291 | 95,526 | 95,526 | 95,526 | 95,526 | 95,526 |
| Profit/(Loss) in the year | 15,235 | | | | | |
| CBDC Designated e/fwd | 95,526 | 95,526 | 95,526 | 95,526 | 95,526 | 95,526 |
| Total Reserves b/fwd | 1,115,042 | 1,185,144 | 890,779 | 838,526 | 788,503 | 455,794 |
| Total movement | 70,102 | (294,365) | (52,253) | (50,022) | (332,709) | 138,415 |
| Total Reserves e/fwd | 1,185,144 | 890,779 | 838,526 | 788,503 | 455,794 | 594,209 |

Notes on the above table

- **2020/21, 2021/22** – Impact of Pandemic: reduction in earned income, proposed additional council cuts
- **2022/23** – Deficit, resulting from the impact of the final year of the projected Council grant reduction (assumed to be -£50K)
- **2024/25** - Lost income during construction requires unrestricted reserves to underwrite the museum's operation; not possible in the light of proposed Council cuts;
- **2025/26 onwards** - Reserves begin to be rebuilt to sustainable levels (as per Charity Good Governance Guidance) from post-*Project Tullie* surplus;
- **Unrestricted reserves (excluding CBDC)** will become negative in 2021 in this scenario.

2. Context: Pre Covid-19 Audiences, Commercial Overview, Governance and Staffing

2.1 Visitor numbers, market penetration

Cumbria Tourism data suggests that 22.5% of visitors to the Carlisle Region attended a Museum (compared to 14% of visitors to Cumbria as a whole), while Audience Agency research suggests that 25% of residents within a 30-minute drive of Carlisle city centre have visited a museum in the last 12 months.

In 2017/18 the Museum attracted 43,370 paying visitors. This equated to only 1% penetration of the market for visitors to the Carlisle Region with a propensity to visit a museum. There was a much higher penetration of local audiences, around 29%, assuming local visitors visited on average twice during the year.

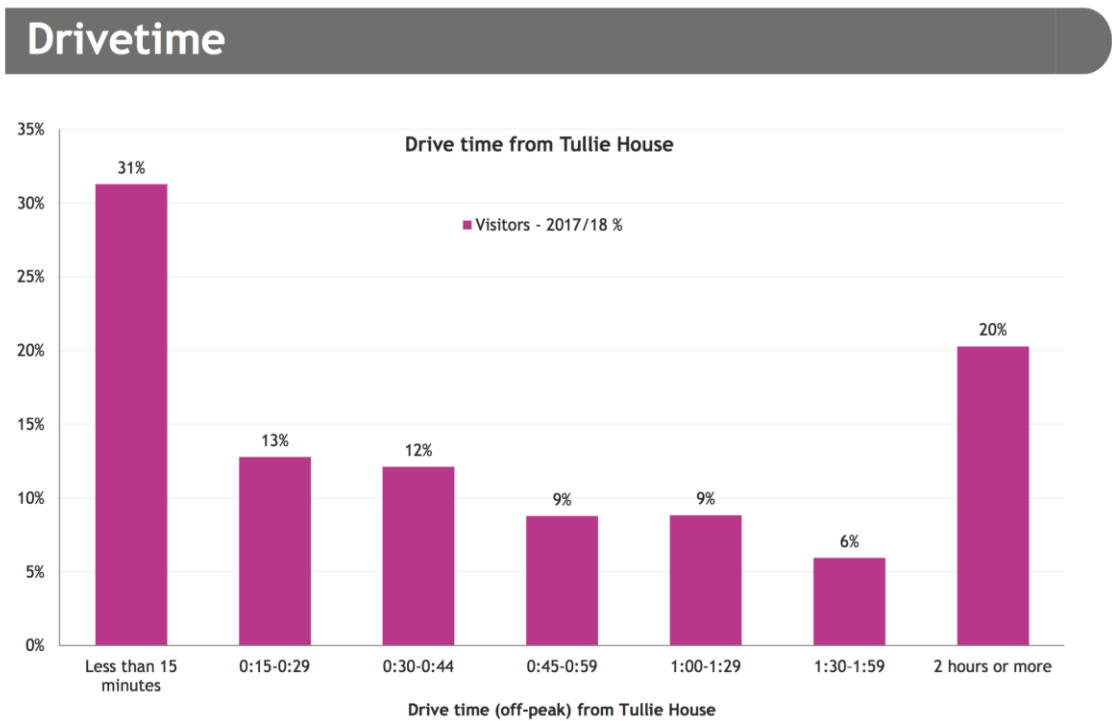
Whilst these statistics clearly show the potential that the museum has to attract more visitors it should also be noted that cross-referencing data from two sources can result in misleading assumptions. Tourists, for example, who are ‘walking the Wall’ may generally visit museums but are unlikely to be motivated to do so when undertaking a time driven walking expedition.

2.1.1 Local visitors

Carlisle is the urban capital of the county of Cumbria with a population estimated at 107,000. The city is the centre of an economic region serving 500,000 people who live in Cumbria, Northumberland and Southern Scotland.

Tullie House is a well-used local resource with a good penetration of local audiences.

Audience Agency analysis of 2017-18 Gift Aid data suggests that around 44% of ticketed visitors were from within a 30-minute Drive Time.



This represents a conversion rate of the local population of 14% (7.3% assuming 2 visits per annum). If we consider the section of the population who are likely museum attenders, the penetration rate is 57% (28.7% assuming 2 visits per annum).

Audience breakdown and market penetration, 2017-18

| Visitor penetration rates | Breakdown (%) | Paying visits (#) | Total Market size (#) | Penetration Paying (%) | Museum Attenders (%) | Likely Market size (#) | Museum Attenders Penetration (%) |
|---|---------------|-------------------|-----------------------|------------------------|----------------------|------------------------|----------------------------------|
| Total visitors (current) | 100.0% | 43,370 | | | | | |
| Visitors from beyond 30 mins | 56.00% | 24,287 | 9,394,000 | 0.26% | 22.5% | 2,113,650 | 1.1% |
| 30 minute DT (Carlisle City council residents +) (Excludes U15s) | 44.0% | 19,083 | 130,536 | 14.62% | 25.5% | 33,234 | 57.4% |
| Local penetration rates assuming 2 x visits p.a. per visitor | | | | 7.31% | | | 28.7% |

2.1.2 Visitors to Carlisle

Tullie House already has a wide reach in attracting tourism visitors to Carlisle. Analysis of postcodes of ticketed visitors to the museum who opted to Gift Aid admissions during 2017-18 shows a national spread across the UK:

Pinpoint map

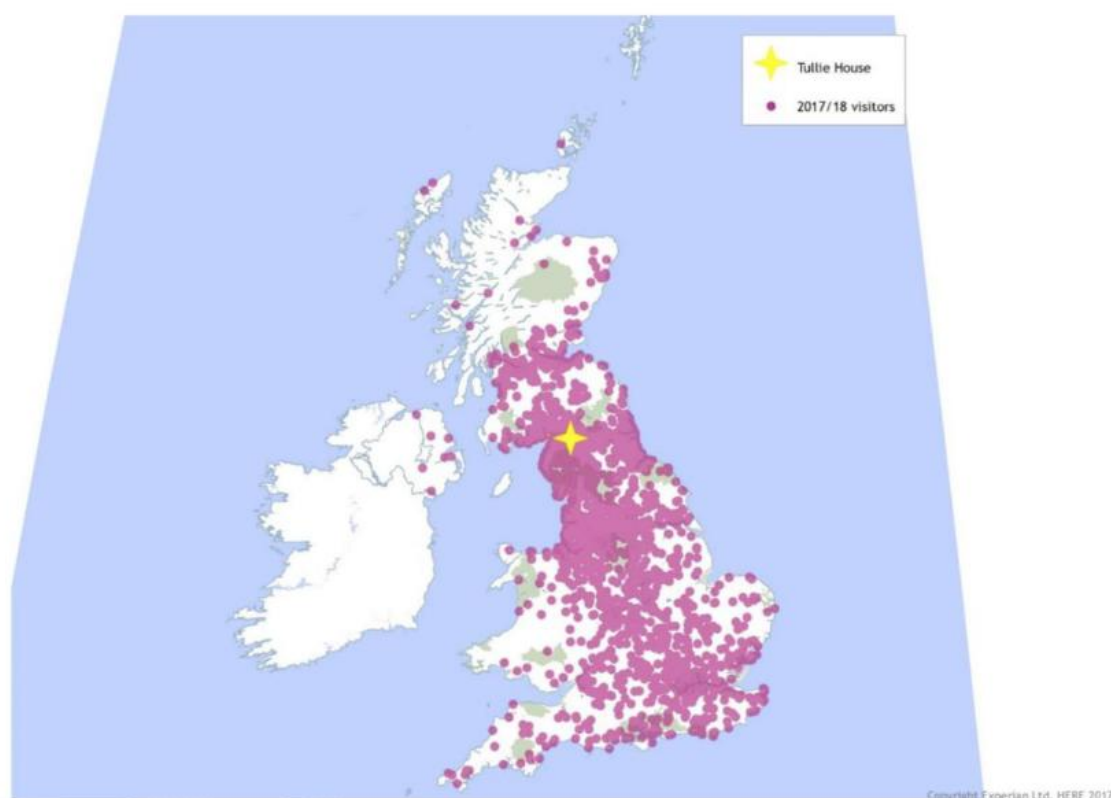


Figure 2
Map showing postcodes of visitors to Tullie House in 2017/18 (Audience Agency research)

Analysis of the same data revealed that 35% of visitors came from further afield than a 1hr drive time and 20% came from more than 2 hours drive time from Carlisle.

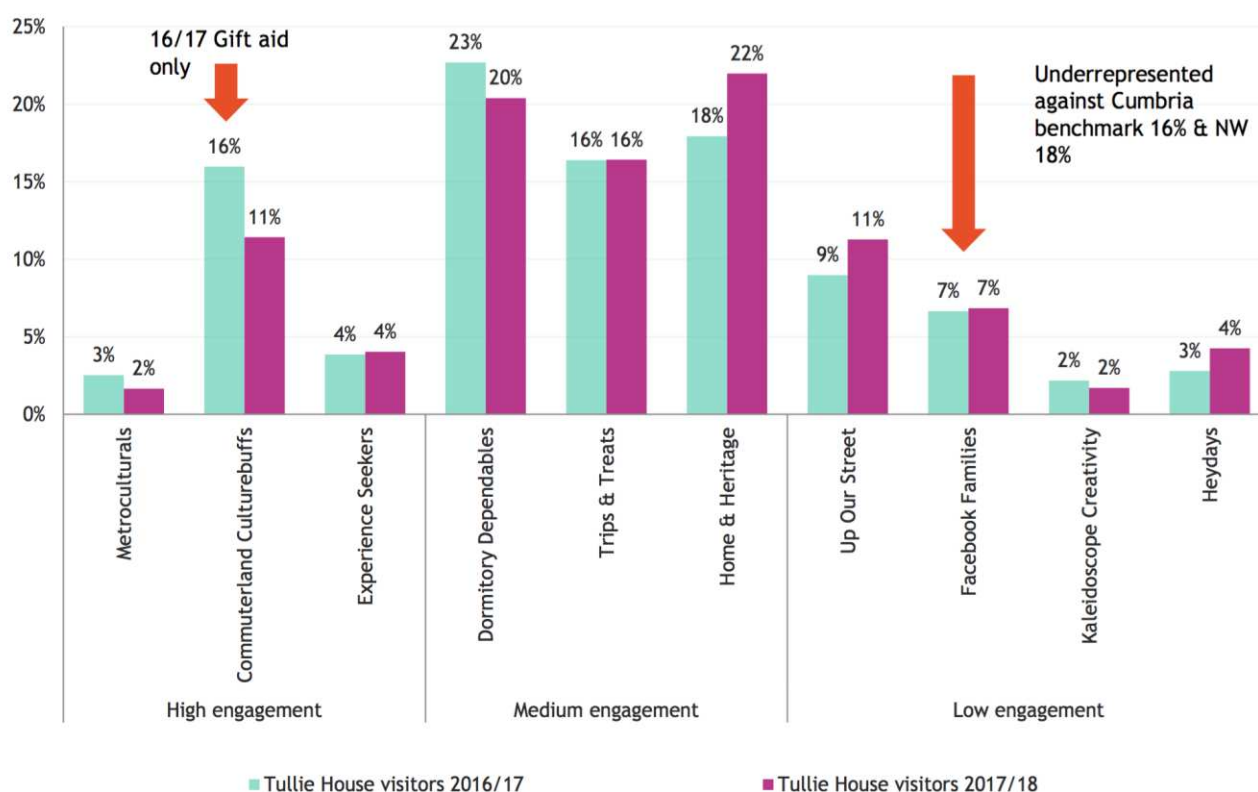
Nevertheless, with an improved offer, Tullie House has the potential to be a much more significant tourism attractor than is currently the case.

2.1.3 Audience Profile

Audience Spectrum segments the whole UK population by their attitudes towards culture, and by what they like to see and do. There are 10 different Audience Spectrum profiles that can be used to understand who lives in a local area, what current audiences are like, and what could be done to build new ones.

Audience Agency analysis of ticketed visitors to Tullie House by postcode reveals that the museum is successful in appealing to demographics with a high and medium propensity to engage with museums.

Audience Profile - Ticketing (postcode analysis)



Looking at the available data for 2017/18 on the Tullie House audience, the five most highly represented segments are:

- Dormitory Dependables
- Trips and Treats
- Home and Heritage
- Commuterland Culturebuffs
- Up our Street

In addition, there is great potential to focus on 'Facebook Families' which were represented well in the previous year and are an audience present in Carlisle which Tullie House would like to attract more often, despite the challenges that this audience have in attending cultural venues (*See Appendix III for a description of these audience segments*).

In the future, Tullie House requires its interpretation to offer a solid family-friendly experience for the local and loyal 'Trips and Treats' audience and reach out to attract more 'Facebook Families'. With good planning, this can be achieved while continuing to cater to the needs of the local and visiting 'Dormitory Dependables', local 'Home and Heritage' and 'Up our Street' and visiting 'Commuterland Culturebuffs'.

2.2 Paying visitors

Recent Performance

In 2018/19 Admissions and associated Gift Aid accounted for £125,000 from 40,743 ticketed visitors.⁷

In 2019/20 the equivalent figure was £137,000 from 53,855 visitors.

In 2019/20 the split of ticketed visitors was as follows:

| Ticket type | % of total ticketed admissions |
|-----------------------------------|--------------------------------|
| Annual Ticket purchase | 11.5% |
| Day Ticket | 35.6% |
| Annual Ticket Re-admission (free) | 19.6% |
| Child (Free) | 25.7% |
| Other Free of Charge | 7.7% |

Future assumptions

In formulating the projections for visitor income in this plan, we have assumed the same split between paying and free ticketed visitors. However, the Museum has now moved to the Annual Pass Gift Aid model, which has resulted in the separate day ticket being removed. This will serve to:

- Increase yields on ticket sales;
- Simplify admissions charges for visitors (research reported confusion about the different ticket types);
- Increase income from tourist visitors with minimum impact on local audiences (many of whom already purchase annual tickets)

We will continue to offer free admission for under 18s (see Section 6.1 for rationale).

In the short term we have had to revise our assumptions on admissions to c.30% of our previous projections:

| Year | Previously projected ticketed visits | Revised ticketed visits projections due to Covid-19 |
|-------------------------------------|--------------------------------------|---|
| 2020/21 (Including lockdown period) | 47,700 | 10,100 |
| 2021/22 | 45,700 | 13,700 |

⁷ Higher visitor numbers in 17/18 was a result of the successful Percy Kelly exhibition that year.

2.3 Other commercial assumptions

Detailed analysis of future trading income is included in Section 6.2 below.

Shop

The museum shop will continue to be run in-house. Some small-scale improvements were made in 2019/20, with significant improvements to be made following *Project Tullie*. These will include better positioning, presentation, visibility and sightlines, combined with secondary outlets throughout the building and commercial stock based on aspects of the museum's collections that will be revealed through *Project Tullie* (for example natural history and fine and decorative arts).

Café

A third-party operator currently runs the Museum's café (see 6.2.2). The café recently benefited from a light-touch makeover and will continue to be run by an independent operator.

At the time of writing, after eight weeks of re-opening, the Museum's earned income is in line with others in the sector at around 30% of pre-pandemic levels. Our café and shop are open but not reaching break-even figures at current visitor levels.

Following the delivery of *Project Tullie* there will be an improved and more focused catering offer, including a setting in line with customer expectations, better use of the garden and the development of a seasonal evening bar offer. This will enable the café to benefit from increased visitor numbers and conversion rates, as well as being a local attraction in its own right.

2.4 VAT

Tullie House is VAT registered and has opted out of the Cultural Exemption Scheme. VAT is charged on all admissions, ticketed activities, trading activities and service agreements with the Local Authority. As a result, all VAT incurred on expenditure is recovered.

2.5 Governance and management

In 2011 Carlisle City Council transferred the management of Tullie House to a new charitable trust – Tullie House Museum and Art Gallery Trust. At the same time the employment contracts of Tullie House staff were transferred from the City Council to the Trust. The Trust was incorporated on 17 March 2011. It became a registered charity on 3 August 2011 (charity registration number 1143235). The charity's object is, "to advance the education of the public, including an understanding and appreciation of the arts, sciences and history".

The charity has a subsidiary trading company, Tullie House Museum and Art Gallery Trust (Trading) Limited, a private limited company that was incorporated on 19 July 2011 (company registration number 07710513). All receipts from trading (excluding admissions) are received by the trading company and any profits are gift-aided back to the museum.

The Trust operates and manages Tullie House Museum and Art Gallery – its buildings and collections – on behalf of the City Council.

The City Council continues to provide core funding to the Trust, in the form of annual grants, which are agreed on the basis of a rolling three-year business plan prepared by the Trust. A series of 30-year legal

agreements commencing in 2011 underpins key aspects of the operational and contractual relationship between the Trust and the City Council.

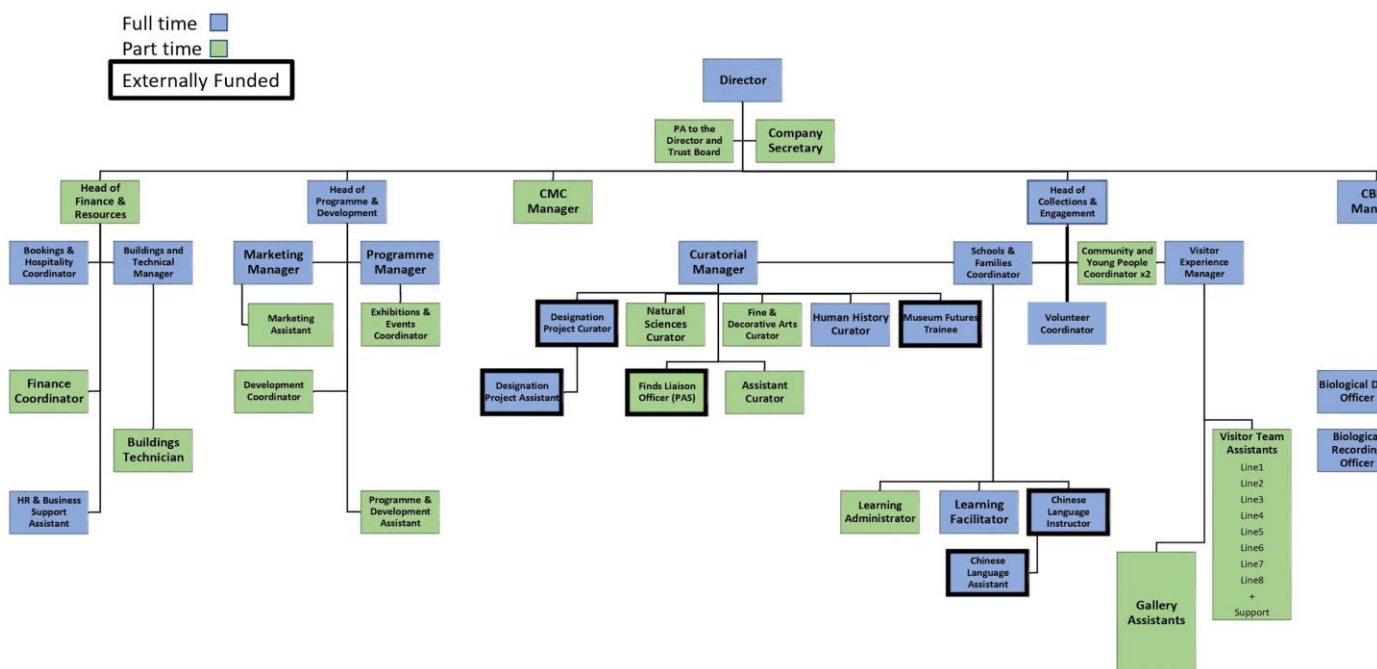
The Board of Trustees is comprised of between 6 and 15 members (currently 12), including two appointed by the City Council, and the Director of Tullie House. The Trustees agree the Trust's business strategy, business plans and key museological and administrative policies. They also agree financial and risk management policies and review performance. There are three board committees; an audit and risk committee comprising four Trustees which oversees financial risk and controls, a development committee comprising six Trustees which is examining new methods of raising income and donations and an appointments and remuneration committee comprising three Trustees which reviews the Trust Director's pay and performance and makes recommendations on new Trustee appointments.

2.6 Staff structure

There are currently 43 staff full and part-time at Tullie House, with an FTE of 35.5.

During Lockdown 24 staff were furloughed plus an additional 17 casual workers (those on zero hour contracts).

The following chart shows the current management structure at the Museum:



Following significant budget reductions in local government spending since 2010 (a reduction of more than £400,000 per annum imposed on Tullie House over recent years) there are a number of areas of work in which the Museum is in need of additional capacity:

- Fundraising: lack of dedicated staff resource impacts on the ability of the Tullie House to develop philanthropic income and maximise external funding;
- Marketing and digital: lack of capacity and expertise affects ability to reach new audiences, particularly those from priority segments with a lower propensity to engage with culture;
- Curatorial and Learning: especially linked to the development of *Project Tullie*
- Resource Management: especially with finance in light of the capital programme, ACE NPO management and complex grant awards
- Volunteer Management: the Museum now has a part time Volunteer Coordinator but will need more capacity in future as volunteer numbers increase.

The nature of the Tullie House estate means that staff are housed in small offices in different locations within the museum. Many of the spaces are not fit-for-purpose and, as a whole, the working environment inhibits rather than facilitates cross-team collaboration.

3. Context: Local and National Policy

Over the coming years Tullie House and *Project Tullie* will contribute to a wide range of local, regional and national strategic objectives held by local and national government:

3.1 Carlisle City Council, *Carlisle Plan 2015-18 (2015)*

The City Council's vision, as set out in the Carlisle Plan, is to:

"Improve the health, wellbeing and economic prosperity of the people of Carlisle"

The second of the five priorities in the Plan is to:

"Further development of sports, arts and cultural facilities to support the health and wellbeing of our residents"

The Plan describes how,

*"This will help to make Carlisle an attractive prospect to investors and new residents. We are committed to supporting the city centre and visitor economy through our vibrant events programme, and promoting the city's culture and heritage."*⁸

3.2 Carlisle City Council, *Carlisle District Local Plan 2015-30 (2015)*

The Local Plan's vision for Carlisle District in 2030 is for a place that,

*"People are attracted to visit, live, work, invest and importantly remain... a key driver of which is the setting of the historic City."*⁹

Project Tullie will deliver against a number of the Local Plan's Strategic Objectives:

Economy:

*Measures to enhance [Carlisle's] role as a sub-regional...cultural destination.*¹⁰

Historic Environment:

*To conserve, enhance and promote Carlisle's heritage and important historic landscapes whilst ensuring that development proposals respect and enhance Carlisle's historic assets.*¹¹

Tullie House will also play a significant role in delivering two of the policies outlined in the Local Plan:

Policy SP 7 - Valuing our Heritage and Cultural Identity

Opportunities will also be pursued, to aid the promotion, enjoyment, understanding and interpretation of both heritage and cultural assets, as a means of maximising wider public benefits and in reinforcing Carlisle's distinct identity.

⁸ *Carlisle Plan 2015-18*, p4

⁹ *Carlisle Plan 2015-18*, p2

¹⁰ *Carlisle Plan 2015-18*, p12

¹¹ *Carlisle Plan 2015-18*, p14

This policy recognises that, *“Key elements which contribute to the distinct identity of Carlisle District, and which will therefore be a priority for safeguarding and enhancing into the future, include: key cultural assets encompassing parklands, landscapes, museums, art galleries, public art, local food and drink and local customs and traditions”*

In addition, the Council will, *“promote heritage-led regeneration including in relation to development opportunities in the City Centre;”*

Economic Policy EC9 - Supporting Arts, Culture, Tourism and Leisure Development

The tourism, arts, cultural and leisure sectors are vitally important to Carlisle as generators of economic prosperity, employment and enjoyment. It is essential that the potential of these sectors is promoted and supported to ensure the continued growth of the economy and cultural horizons of the District” (Economic Policy EC9).¹²

3.3 Carlisle Culture: Strategic Framework for Culture

Publication of the Strategic Framework for Culture is expected in 2020 / 2021 and Tullie House will align itself with the City’s ambitions for cultural development.

3.4 Borderlands

The ‘Borderlands Initiative’ was established in 2013 to facilitate cooperation across the Scotland-England border in recognition of the interrelationship (economically and socially) between these areas. The Initiative was jointly created by Carlisle City Council, Cumbria County Council, Dumfries and Galloway Council, Northumberland County Council and Scottish Borders Council in order to exploit and develop mutual economic and social links, and to develop a common ‘voice’ to influence the UK and Scottish Governments.

The ‘Borderlands Inclusive Growth Deal’ will attract investment into the area, involving the development of projects to be presented to both the UK and Scottish Governments in a bid for capital funding.

Carlisle is a key point in the Borderlands narrative – the region’s only City and at the crossroads of two of the identified growth corridors: the Western Borderlands Corridor and the Southern Borderlands Corridor

Borderlands Inclusive Growth Proposition (2018)

The Borderlands Inclusive Growth Proposition includes the desire to create an agile platform upon which to diversify the region’s economic bases including tourism and learning.¹³

One of the Proposition’s five key strategic themes is:

“Investing in both our people and places to build on the traditional strengths of our towns and the Historic City of Carlisle, connecting the heritage of our proud, if at times controversial, past - symbolised by physical structures such as the Citadel and Hadrian’s Wall, with an agile and flexible future making the most of cross-border collaborations.”¹⁴

¹² Economic Policy EC9 supporting Arts Culture, Tourism and Leisure Development

¹³ Borderlands Proposition, September 2017, p1

¹⁴ Borderlands Proposition, September 2017, p2

3.5 Cumbria Local Enterprise Partnership (LEP): *The Four-Pronged Attack: Cumbria Strategic Economic Plan 2014-2024*, the Local Industrial Strategy and the Cumbria Cultural Strategy

Cumbria's strategic economic priorities are identified in Cumbria's Strategic Economic Plan (SEP).¹⁵ One of the LEP's priorities is, "A vibrant rural and visitor economy".

There is cross over between the SEP and the newly produced Local Industrial Strategy for Cumbria (LIS). The LIS, published in 2019, identifies a 10 year vision for the county. This vision includes the need to continue the '...role of Cumbria as a place to visit supporting a thriving tourism industry, which in turn supports the cultural and other assets our residents can benefit from.' The LIS identifies 'assets' and within its subthemes specific priorities which will deliver 'productivity and earning power'. Under Environmental Assets culture is closely connected with natural capital: 'We have a strong cultural offer closely linked to and inspired by our world class landscape'. Whilst within the 'Places' subtheme, Priority 2 links economic growth to young people and culture: 'Research carried out by the LEP and others has shown that young people are particularly interested in the cultural offer...' This is further recognised in the LIS action schedule: 'Improving the cultural and creative offer for residents and visitors - including cultural facilities, activities and festivals (building on the potential Cultural Strategy for Cumbria) and better joined up promotion.'

The LEP, in conjunction with Cumbria County Council, has published a strategy to develop the Cultural and Creative Sector in the County. The strategy has been developed following significant consultation with a wide a range of businesses and organisations in the creative industries and art and cultural sector. The strategy promotes Cumbria as '*England's Natural Capital of Culture and Creativity*' based on a thriving creative and cultural offer in an amazing landscape. It has been designed to promote and develop the existing exceptional arts and cultural offer and to encourage further growth in the creative industries. The strategy has been developed in consultation with all partners and has widespread support in its ambition and strategic priorities. Tullie House is identified as being a major strategic asset in helping grow the Cumbria economy with *Project Tullie* highlighted as a 'case study' on page 28.

3.6 Cumbria County Council

Cumbria County Council recognises the value that culture plays in the economy and in the health and wellbeing of the community. In addition to incorporating arts and culture into the draft Public Health Policy, the County has been instrumental (via leadership and funding) in setting up the Cumbria Arts and Culture Network, now a sector led voluntary organisation that seeks to advocate on behalf of the county's vibrant and resourceful cultural economy and support its development. The Network's mission is to work together to deliver a diverse, innovative, resilient and high-quality cultural offer in Cumbria, supporting economic development and wellbeing through high levels of participation, engagement and social inclusion.

Tullie House is not only a founding member of the Network it is also a member of the Steering Group.

3.7 University of Cumbria

Tullie House has a Memorandum of Understanding with the University of Cumbria and works collaboratively on a range of projects covering arts, history, creative writing, teaching, zoology, conservation and tourism. The University's Strategic Plan 2017-2020 entitled *Enriching People Through Place* aims to "...create spaces where our students want to spend time and enhance partner environments. We'll improve connections with off-campus learners, and to the culture that's already

¹⁵ Cumbria Local Enterprise Partnership, *The Four Pronged Attack: Cumbria Strategic Economic Plan 2014-2024*, 2014

thriving in each location, looking beyond our campuses to link our students with the rich array of arts, culture and adventure on offer...”

Tullie House has ensured that the University of Cumbria is a key partner in the *Project Tullie* masterplan.

3.8 Northern Powerhouse

The Northern Powerhouse strategy aims to address regional inequalities in the United Kingdom, particularly focusing on the historical lag in productivity in the North of England. The Northern Powerhouse is orientated towards improving infrastructure between cities and towns in the North, fostering entrepreneurship, and building on the strengths of its economies to improve its economic potential.

Cities such as Carlisle are identified as key enabling economies with complementary strengths that can contribute to the Northern Powerhouse agenda, including Carlisle with its sectoral strengths in tourism, retail, logistics and its good road and rail links.

Project Tullie forms part of this agenda as a key asset for developing tourism in the City and region. A Northern Powerhouse Culture group has been established, of which Tullie House is a member.

3.9 Arts Council England: *Achieving Great Art and Culture for Everyone*

Developing and renewing Tullie House, its programmes and its organisation will contribute to all 5 of ACE’s 10-year goals in *Achieving Great Art and Culture for Everyone*:

- Goal 1: Excellence is thriving and celebrated in the arts, museums and libraries.
- Goal 2: Everyone has the opportunity to experience and be inspired by the arts, museums and libraries.
- Goal 3: The arts, museums and libraries are resilient and environmentally sustainable.
- Goal 4: The leadership and workforce in the arts, museums and libraries are diverse and appropriately skilled.
- Goal 5: Every child and young person has the opportunity to experience the richness of the arts, museums and libraries.

In 2020 Arts Council produced its new strategy, which Tullie House is now starting to work towards.

4. SWOT

| | |
|--|---|
| <p>Strengths</p> <ul style="list-style-type: none"> - Strong footfall - Collections, particularly Designated Natural Sciences and Hadrian's Wall archaeology - Council supportive of the museum - Cumbria LEP Creative & Cultural Panel, County Council Arts & Culture Network and Carlisle Culture - Culture embedded in public health agenda - Manifesto sets clear intent around co-creation, diversity and income generation - County repository for archaeology - CBDC - Some new acquisitions, CAS funded - Learning programme strong (but facilities inadequate), success of YP is important for ACE - Partnership working – Cumbria Museums Consortium, University, BM, Prism Arts, Borderlines etc. - Strong stakeholder support for <i>Project Tullie</i> | <p>Weaknesses</p> <ul style="list-style-type: none"> - Brand – still considered part of LA / not a charity - Paywall still an issue for some - Lack of awareness among visitors of the full range of activities of the museum - 'Not for me' attitude amongst a part of the local population - Carlisle not necessarily perceived as a City of Culture - Staff capacity - Current displays are in one continuous gallery therefore incremental / small scale improvements difficult - Current galleries don't make it easy to add collections due to way they are planned / themed - Storage poor and in the wrong places - Not set up to be a volunteer museum - Office space an issue - Small membership scheme - Learning facilities inadequate / capping income opportunities. Income covers direct but not staff costs |
| <p>Opportunities</p> <ul style="list-style-type: none"> - Footfall conversion - Crosby Garret effect (2011) showed it is possible to generate interest and funding (£2m raised) - Creating a brand for Carlisle as a great place to live/stay - Opportunity around Borderlands – funding and Tullie House brand development - Getting more on display, Costume Gallery, and <i>Project Tullie</i> as phase 1a - Newly designated Natural Science collection - Developing stories / engaging communities - Make the Carlisle-ness of the Museum more visible - Opportunities to develop catering - Retail only breaks even – opportunities to improve - Volunteering a big opportunity - World heritage site / UNESCO brand - Library / art school heritage represents a potential opportunity - Further expansion of the Patron Scheme - Carlisle Culture strategic approach to developing investment in city - CBDC with Natural Science collections | <p>Threats</p> <ul style="list-style-type: none"> - Funding reduction from the Council - Support already cut from £1.2m going down to £800k - Staff burnout due to lack of resources - Succession issues - Staff capacity |

5. Programme overview

This section provides an overview of how our main programme activity will develop over the next five years in pursuit of our aims and objectives.

5.1 Project Tullie Masterplan

5.1.1 Summary of Project Tullie Masterplan

In summer 2018, following the award of a Resilient Heritage Grant by the Heritage Lottery Fund (now NLHF), Tullie House appointed a consultant team comprising of Carmody Groarke (architects) and Counterculture (business planning) to work with staff and trustees on the development of the *Project Tullie* Masterplan.

The masterplan, developed and costed to RIBA Stage 1+, was completed in July 2019. The masterplan developed a brief for the long-term development of the Museum and its estate:

- Foregrounding the *Tullie House Manifesto* vision and developing a clear brand
- Building audiences and improving the visitor experience
- Enabling more community and learning activity
- Developing commercial income: Tullie House as a destination
- Unlocking the estate: circulation, visibility
- Revealing historic collections
- Revealing historic buildings and interiors
- Sustainable and resilient staffing to match the ambitions of the Manifesto

A comprehensive series of interventions is proposed in the masterplan to address:

- Collections displays and interpretation
- Visitor experience
- Circulation and access
- Commercial facilities
- Learning and community facilities
- Collections management and storage
- Staff accommodation and facilities
- Signage and wayfinding, relationship with the surrounding urban fabric and townscape

The masterplan acknowledges that a phased approach is required to address these improvements due to the collective cost of the proposals. It is our ambition to work towards the delivery of Phase One, as outlined below, in the period of this business plan.

5.1.2 Summary of Phase 1

Phase One of *Project Tullie* delivers a wide range of physical improvements and organisational, visitor and programme outcomes.

Summary of first phase physical improvements:

- Improved entrance with single main entrance/exit
- Remodelled central welcome area with enhanced visibility of collections and adjacent renewed retail offer

- Refurbished and expanded catering and events space, with direct access to garden terrace and independent entrance for out of hours use
- Ground floor collections store to become Natural Sciences Gallery
- New build 'Garden Gallery' to provide vertical circulation at ground and first floor level along with new Gallery space and a lift for people and artworks. Access to 'Secret Garden' to the north of the museum also provided
- Refurbishment of 1990s galleries on the first floor
- Restoration of 'hidden' 1893 art galleries on the first floor
- New fit for purpose accessible learning spaces

5.1.3 Cost

The estimated cost of Phase One of *Project Tullie* is £16.8m (RIBA 1 cost estimate). A detailed cost plan is included in the masterplan.

5.1.4 Programme

A detailed programme for *Project Tullie* is included in the masterplan. The top level of the project timeline is as follows:

| | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|---------|---------|---------|---------|---------|
| Development & Fundraising | | | | | |
| Procurement and Mobilisation | | | | | |
| Construction | | | | | |
| <i>Project Tullie</i> , Phase One, opens | | | | | |

5.1.5 Outcomes

Phase One of *Project Tullie* delivers a range of outcomes against Tullie House's Strategic Objectives.

| | Tullie House Objective | Project Tullie Outcome |
|-------------|--|--|
| Objective 1 | Develop an organisational focus on generating greater earned income (including catering, retail and admissions) | Significant improvement in visitor experience and facilities, increasing visitor numbers and spend |
| Objective 4 | Actively increase income from trusts, foundations, individuals and corporates | Improvement in range and quality of activities, providing more fundable opportunities |
| Objective 5 | Focus on developing greater engagement with the Carlisle community | Improved visitor experience and facilities; improved education and community spaces; increased opportunities for co-curating and creative engagement |
| Objective 6 | Continue to work with least engaged groups within Carlisle and the surrounding area | As above |
| Objective 7 | Strengthening our Borderlands offer so that our collections can help people better understand our unique region, Hadrian's Wall and significance of Carlisle as a destination city | Redisplay of collections, display of more collections |

5.1.6 Relationship to the financial projections in this plan

The capital cost of the works is excluded from the revenue business plan and cash flow. It will be treated as a stand-alone project, with the investment being capitalised on the accounts of the Trust as "leasehold improvements" and depreciated over the period of the lease.

This approach means that the income and expenditure projections of the Trust can be read from year-to-year on a like-for-like basis without the distortion that would be caused by large capital income and expenditure items.

5.1.7 Capital funding: NLHF and Carlisle City Council

The Museum plans to submit its Lottery application for Project Tullie as soon as the NLHF re-opens its funding streams after the pause brought about by the pandemic.

However, in order to deliver such an ambitious and transformative scheme the NLHF will expect to see a significant capital contribution from the owners of the collections and the building – the Council. We are therefore requesting a capital contribution from the Council of no less than £3m spread over three consecutive years commencing 2021/22 .

We recognise that this is a significant ask for the Council but, in context, it is less than 20% of the overall scheme and will lever £14m into the project and therefore the Carlisle economy. It therefore represents considerable value for money. We also believe that this support will be vital to our success with our NLHF bid as it will demonstrate the Council's support for the wider economic and social benefits to Carlisle that Project Tullie will bring.

This level of support will ensure that *Project Tullie* maintains momentum and that the long -term future of the Museum is secured. Without this investment, survival in the short term will preface continued financial challenges in the years to come and will be a significant opportunity lost.

5.2 Exhibitions and displays

5.2.1 Summary of aims of exhibitions programme

A new exhibitions strategy will be produced in 2021. In the meantime, temporary exhibitions are programmed on the basis of nine interlocking principles:

1. targeted at our recognised audiences (families, young people, over 50s, digital audiences)
2. consider the Creative Case for Diversity, be accessibility and ethically sound, consistent with the aims and objectives of the Trust's Manifesto
3. reflect the museum's collections (art, archaeology, social history and natural sciences) and / or the collecting themes (landscape, people, environment and collectors), or
4. as part of the museum's educational role illustrate areas of human endeavour / the natural world that cannot be easily seen in Cumbria (e.g. engineering, ethnography, science, technology and medicine) or,
5. consider income-generating opportunities. Income generation should not be the key driver but should be a high priority
6. be produced to a high quality, reflecting the vision of the Trust and the standing of Tullie House as a nationally important, regional museum

Exhibitions can...

7. occasionally be challenging. The museum has a key responsibility within its constituency to be educational, to raise awareness and to stretch people's imaginations and understanding
8. occasionally be research driven using information from our own collections or from partner organisations
9. focus on individual artists or makers, or be group exhibitions

5.2.2 Summary of the temporary exhibitions programme 2020-2023

The Temporary Exhibitions Programme for calendar year 2020 and 2021 is included as Appendix II.

5.2.3 Plans for improvements to the permanent displays

5.2.3.1 *The Costume Collection at Tullie House (previously 'Dressed to Impress')*

In 2020 the Museum will deliver a new permanent display of its costume and textile collection in two Victorian galleries that were 'lost' in the 1990s. Despite having an outstanding collection, the Museum has never had a permanent costume gallery. The restored galleries will exhibit fully conserved nationally important collections with deep local roots, making accessible for the first time a truly inspiring assemblage of decorative art history.

The new galleries will be fit for 21st century audiences. They will feature innovative lighting, high specification display cases, transparent mannequins and a digital artwork to create a unique and innovative visitor experience.

The DCMS/Wolfson Museum and Galleries Improvement Fund, the Garfield Weston Foundation and the Cumbria Local Enterprise Partnership and the Northern Powerhouse have contributed to the project.

5.2.3.2 Project Tullie

The first phase of *Project Tullie* includes the renovation of a wide range of permanent exhibitions and the introduction of new displays of elements of the collection that have previously been under-represented.

The proposals respond to a number of challenges:

- The museum is well-used locally, but there are negative perceptions resulting from lack of historic investment
- Collection displays are dated and tired; they do not tell all the stories the collection has to offer in a way that is relevant and appealing to visitors.
- Aspects of the collection in which the audience are most interested: natural history, social history and fine art are either under-represented or relatively hidden or inaccessible, with opportunities for coherent storytelling and links across collections missed as a result.
- Lack of visibility of collections on the ground floor means the welcome/entrance does not feel like a museum and does not entice visitors to go further.

In summary the key changes will be:

- New natural science gallery in the 1893 building
- New art galleries
- Renewal of social history and borderlands galleries (1990s building)
- Introduction of museum displays to the Ground floor

5.2.4 Audience development ambitions

Temporary Exhibitions

Temporary exhibitions are a key driver for ticketed admissions, with higher paying visitor numbers for particular exhibitions driving up annual results. Appendix II outlines the Temporary Exhibitions Programme. The programme is regularly reviewed by the museum's Programme Executive Group along with the target visitor numbers.

The Costume Collection at Tullie House; new costume and textile gallery at Tullie House

Temporary exhibitions featuring costume and textiles consistently attract large visitor numbers and have resulted in the demand for greater access to these important collections. Work with students from the University of Cumbria's Institute of the Arts, a costume volunteer programme and a community textile group have emphasised the need to 'reveal more' and make the collection more accessible to all.

We had anticipated that, with appropriate marketing, the new costume gallery could contribute to attracting c.47,000 ticketed visitor numbers in the first year after completion. However due to the pandemic, these projections have been revised down significantly by 70% in the light of our experience in the first two months after re-opening in July 2020.

Project Tullie

Developing new and increased audiences is a key deliverable of *Project Tullie*. The *Project Tullie* Masterplan includes an interpretation proposal and a matrix of target audience segments with a rationale for how the revised galleries will appeal to these diverse audience groups.

A number of visitor number scenarios have been tested in our business planning work; in our primary scenario we expect that the Museum could attract c.80,000 ticketed visitors per year following the delivery of Phase 1 of *Project Tullie*.

5.3 Learning and community

The Museum's Learning & Engagement Team has won awards for its service, including the Sandford Award for Excellence in Heritage Education (2013 and 2018) and the prestigious *Kids in Museums Family Friendly Award*, sponsored by the *Daily Telegraph*.

Tullie House's position as a safe "third space" means it can use collections to start conversations and challenging discussions, and help create a sense of pride in Carlisle for the people who live there. The museum offers a range of learning and community activities aimed at specified audience groups, including:

- Workshops and activities in the museum for visiting school groups;
- School membership scheme including loan boxes, school assemblies and discounted museum workshops;
- Family programme in the Museum including term time and holiday drop-ins, Tuesday Tales (U5s), a popular programme of Toddler sessions, Interactive trails and Special Events;
- Programme for children and young people including Tullie Time Travellers (8-13), the monthly Youth Panel (14-21) and the Hope Streets programme, a major 5-year, NLHF funded regional initiative to transform youth engagement with museums.
- Programme supporting the wellbeing of vulnerable adults including adults with mental ill health, adults with disabilities and adults living with dementia. This includes activity within the *Secret Garden*, a safe outdoor space for less-engaged communities to learn about gardening, nature and environmental benefits. The programme is run in partnership with

local organisations that run services for adults dealing with addiction issues, homeless people and offenders in rehabilitation.

The following table illustrates the ranges of programmes and audiences that are catered for. These activities have had to be paused during the pandemic and we are uncertain about when we can restart and at what level. The targets for participation in the table below will be adopted once the need for social distancing has passed.

| Programme strand | Audience Segments | Participation rates | Measures | Tullie House Strategic Objectives |
|------------------|--|---|--|--|
| Families | Local Cumbrian (Facebook Families, Dormitory Dependables, Trips and Treats), Tourist (Trips & Treats) | Target of 5% participation increase from 8,910 to 9,355 | Engagement will be measured through either INCREASING numbers, BROADENING the range of participants or DEEPENING engagement. | Objective 4: Actively increase income from trusts, foundations, individuals and corporates Objective 5: Focus on developing greater engagement with the Carlisle community Objective 6: Continue to work with least engaged groups within Carlisle and the surrounding area Objective 8: Develop international audiences from China or with communities |
| Young People | Marketed via specific groups, networks and through referrals | Headline KPI of 300 participation days annually This figure does <u>not</u> include engagement as part of the Hope Streets programme running to 2022 – no formal KPIs are attached to this funded programme, focus is on depth of engagement | BROADEN range and DEEPEN engagement | |
| Communities | Marketed via specific groups, networks and through referrals | Headline KPI – 600 participation days annually with vulnerable adults / adults with protected characteristics | BROADEN range of participants and DEEPEN engagement through increased curatorial involvement | |
| Local Adults | Kaleidoscope Creativity, Homes & Heritage, Dormitory Dependables | 5% increase on 2019/20 baseline | | |

| | | | | |
|------------------------------|---|---|--|-------------------------------|
| Schools | All schools sessions targeted via print and digital marketing | 5% increase on 2019/20 baseline | INCREASING pupil numbers and BROADENING range of participating schools | interested in Chinese culture |
| Chinese Engagement Programme | Kaleidoscope Creativity, local adults, local Chinese-British families | Minimum of 8 hours teaching per week (Confucius Institute Target) | | |

A detailed post-pandemic Learning Programme will be developed in 2020/21.

5.4 Volunteering

There are around 30 active volunteers at Tullie House at present managed by individual departmental staff under the guidance of the museum's Volunteer Policy. A new part-time post of Volunteer Coordinator was introduced in January 2020 to help embed volunteering more strategically across the museum's core activity. In addition, the post has been leading a recruitment drive for the new volunteer role of Gallery Engager, which will be introduced on the museum's galleries from October 2020.

5.5 Collections Care

The collections and buildings at Tullie House are owned by Carlisle City Council and are managed by Tullie House Museum and Art Gallery Trust.

The curatorial team (consisting of a Curatorial Manager, two Curators and an Assistant Curator) carry out Collections Management duties. The team is responsible for the following:

- Managing the collections in the galleries and stores (including monitoring and upgrading as appropriate)
- Preventive conservation measures including quarantine for incoming material
- Appropriate marking of objects
- Research and documentation
- Condition checking new material and all loans
- Appropriate storage methods including the use of archival materials
- Storage and display cleaning programmes
- Pest management
- Appropriate movement, handling and display methods
- Installing exhibitions
- Delivering staff training on collections care/management
- Preparing collections care procedures and guidelines
- Disaster planning
- Managing the annual budget for collections care
- Arranging remedial examinations and treatment by approved conservators for objects usually destined for display or loan for exhibition
- Carrying out a broad collections level condition assessment used to implement the Collections Care Action Plan

- Regular inspections of the off-site store at Longtown and the Guildhall Museum
- Providing surrogate digital images of parts of the collections to use for handling purposes where appropriate
- Providing access and managing all research

The Museum has a *Collections Care and Conservation Action Plan*. It is based on the Accreditation Guidance Notes for Collections Care, a structured Benchmarks Survey and PAS 197: 2009 for which we aspire to meet Good or Best standards over time as outlined in the Plan.

The resources identified in Section 7 of the Business Plan will be used to implement the objectives of this plan. A new plan is in preparation to cover the period from 2021 onwards and the resources identified beyond that date will be allocated in pursuit of its objectives.

5.6 CBDC

CBDC was originally the Tullie House Natural History Bureau established in memory of an eminent Victorian Natural Historian and founder of Tullie House Museum and Art Gallery – Rev Hugh McPherson. Its purpose was to collect wildlife information from across Cumbria and for a wide range of plants and animals and share it for the benefit of the public and scientific research. It was the first organisation ever to collect such a range of taxonomic groups across a significant geographical range.

Around 10 years ago the Government encouraged local authorities with wildlife and environmental data to set up and develop local record centres. The Natural History Record Bureau fitted this remit and CBDC was established to provide data services for the local authorities in Cumbria.

In the following nine years CBDC attracted highly skilled staff who have continued to develop data services for local authorities and ecological consultants working in planning and development. In addition, these services have then been adapted to support local and national conservation organisations working in the county, e.g. Plantlife, Buglife, Cumbria Wildlife Trust. These new partnerships have been vital to generate income and allow CBDC to showcase its skills, knowledge and data. The result has been an increased profile for CBDC and a growing reputation as the place to go for Biodiversity Information in the county.

Recently CBDC has diversified and as a result has provided:

- species identification training
- bug hunts and activities at public events
- equipment and room space to train new bryologists and lichenologists
- data for research and developing our knowledge of Cumbria's natural history.

The Recent Designation of the Natural Sciences collection offers the opportunity to harness data and specimens to create a compelling and powerful nationally significant biodiversity story.

5.7 Estate Management

5.7.1 Recent Improvements

- *Garden Café*
2019 saw a light-touch improvement to the café, with the aim of helping to improve performance by creating a more attractive environment in line with contemporary expectations.
- *BMS improvements*
Carlisle City Council will be continuing their future proofing investment in the Museum's Building Management System by commissioning upgrades to ensure that this sophisticated but essential technology remains fit-for-purpose
- *Gallery improvements*
A series of on-gallery visitor improvements commenced in 2018: new introductory graphics have been installed on the main Border Gallery staircase to aid orientation and to provide simpler navigation; *Origins* – an impressive redisplay of the museum's significant pre-history collection; and *Formations*, which uses the geology collections to tell the story of how the Cumbria landscape was created
- *Secret Garden*
A small and tranquil space in the middle of the city, where youth and community groups have combined to create a home for nature and a place where vulnerable groups can explore nature in a safe environment
- *Activity Room / Learning base*
The Museum has invested in its activity room by extending the footprint so that schools have more space to undertake many of the award winning activities

5.7.2 Future Plans

Project Tullie

Project Tullie is the focus for a series of major improvements to the estate in the coming years, and therefore there are relatively few stand-alone improvement projects in the meantime.

Costume Gallery

The new costume galleries will open later in 2020 (see Section 5.2 above).

General Maintenance and improvements

Phased lighting replacement in the galleries – moving to LED technology – starting in late 2020.

6. Incoming resources

6.1 Admissions and membership

6.1.1 Ticketed admissions

Tullie House has charged for admission for a number of years using various different structures. It has recently settled on a simplified pricing structure:

- Annual ticket £10.00 (inc. Gift Aid, annual pass method)
- Under 18s: Free with an adult

In 2018/19 Admissions and associated Gift Aid accounted for £125,000 from 40,743 ticketed visitors.

In 2019/20 the equivalent figure was £137,000 from 53,855 visitors.

In 2019/20 the split of ticketed visitors was as follows:

| Ticket type | % of total ticketed admissions |
|-----------------------------------|--------------------------------|
| Annual Ticket purchase | 11.5% |
| Day Ticket | 35.6% |
| Annual Ticket Re-admission (free) | 19.6% |
| Child (Free) | 25.7% |
| Other Free of Charge | 7.7% |

The primary scenario of this business plan makes the following assumptions about admissions:

- Following the completion of the Costume Gallery (in late 2020), ticketed visitor numbers will rise in Y1 by c.10,000 visits (+30%) from 2019/20 levels, with a Y2-onwards target of c.45,000 visits p.a.
- This target has been revised downwards due to the pandemic as follows:

| Year | Previously projected ticketed visits | Revised ticketed visits projections due to Covid-19 |
|-------------------------------------|--------------------------------------|---|
| 2020/21 (Including lockdown period) | 47,700 | 10,100 |
| 2021/22 | 45,700 | 13,700 |

- The pricing structure was revised in 2020/21 to phase out the day ticket and move all admissions onto a £10 (including VAT but excluding Gift Aid) annual ticket. This will be subject to an increase to £12 in 2022/23.
- We will continue to offer free admission for under 18s. There are practical and strategic reasons for this:
 - o Strategically, it contributes to the Museum's commitment to supporting the delivery of Arts Council England's Goal 5: *"Every child and young person has the opportunity to experience the richness of the arts, museums and libraries."* Continued ACE NPO funding beyond the current cycle (ends 2023) is critical and this is an important part of our case to ACE.
 - o On a practical level, free admissions for children helps keep a simple-to-understand pricing structure, without different family tickets and concessions, which recent audience research revealed was important for visitors (especially those who are not regular museum visitors).

- Finally, our decision to increase the full adult admission to £14 following *Project Tullie* (2024) is partly based on a calculation that keeping free admission for the under 18s maintains good value-for-money for families (particularly local families).
- We do not expect significant numbers of current day ticket buyers to take advantage of the annual ticket re-admission offer, as many are either tourist visitors or visiting for a specific exhibition.
- Based on the current actual split of visitors as outlined in the table above, a single type of ticket with no concessions will mean that we assume 47% of ticketed visitors will pay this price.
- It is likely that the construction works for *Project Tullie* (projected to be in 2024/25) will require significant or full closure of the museum. In our primary scenario we have provisionally used a base-case scenario of significant closure with no admissions income in this year.
- Following the completion of Phase One of *Project Tullie* (2025-26), our primary scenario projects that ticketed visit numbers will rise to c.84K in the first year of re-opening with a Y2 onwards target of c.80,000 visits p.a.
- Following the completion of *Project Tullie* Phase One in 2025/26, the ticket price will be increased to £14 (including VAT but excluding Gift Aid claimed) for an annual ticket.

Based on these assumptions, ticketed admissions for the period covered by this plan is estimated to be as follows:

| Year | Ticketed admissions (#) Projections | Projected Income (net of VAT, ex Gift Aid) | Notes |
|---------|--|--|---|
| 2020/21 | 10,100 | £49,506 | Covid-19 lockdown and re-opening with restrictions; Costume Gallery opens, day-ticket phased out. Annual Pass Gift Aid methodology. |
| 2021/22 | 13,700 | £53,766 | As above |
| 2022/23 | 47,873 | £225,136 | Return to pre-pandemic projections |
| 2023/24 | 48,493 | £228,052 | Inflationary increase |
| 2024/25 | - | - | <i>Project Tullie</i> construction |
| 2025/26 | 84,000 | £460,872 | Phase One of <i>Project Tullie</i> opens, price increase to £14 (inc. VAT). Annual Pass Gift Aid methodology. |

6.1.2 Gift Aid

In 2019/20, Tullie House operated a split Gift Aid model, applying the 10% donation method to day tickets, and the annual pass model to the annual ticket.

In 2019/20, Gift Aid receipts equated to around 12% of all museum admissions income.

In 2020 the day ticket was phased out, along with the 10% Gift Aid methodology. All tickets will be annual tickets and accordingly the Annual Pass method will be used for Gift Aid.

This method often results in a higher conversion rate as it does not require an additional donation, however for the sake of prudence, we have assumed that Gift Aid receipts will continue to equate to c.12% of ticket admissions income.

Using this assumption, it is estimated that Gift Aid receipts will rise to c. £24k per annum following the move to annual tickets only and the opening of the Costume Gallery, with a further rise to c. £50k p.a. following the opening of Phase One of *Project Tullie*.

| Year | Ticked admissions (#) (Projected) | Income (net of VAT) (Projected) | Gift Aid claimed (Projected) |
|---------|--------------------------------------|------------------------------------|---------------------------------|
| 2020/21 | 10,100 | £49,506 | £4,306 |
| 2021/22 | 13,700 | £53,766 | £4,676 |
| 2022/23 | 47,873 | £225,136 | £19,581 |
| 2023/24 | 48,493 | £228,052 | £19,834 |
| 2024/25 | - | - | - |
| 2025/26 | 84,000 | £460,872 | £40,083 |

6.1.3 Membership

In 2019/20, our membership income was £5,000. We expect this level to be maintained throughout the period of this plan.

Following *Project Tullie* and the embedding of an increased annual ticket price we do not expect memberships to grow significantly. Annual ticket schemes can undermine membership schemes as everyone benefits from free entry; this is often offset by increased Gift Aid conversion.

6.2 Trading income

Tullie House generates income via a number of trading activities, including:

- Retail
- Catering
- Venue Hire and Events

Income is via the charity's trading company and profits are gift-aided to the charity.

A range of museum costs in addition to direct costs of sales are allocated to trading activities to recognise the true cost of the delivery of trading activities. This cost allocation has resulted in the trading company making small deficits in recent years. However, as a number of these expenses are fixed costs that would not decrease significantly if there were no trading, these activities still make a valuable contribution to the museum. This section outlines our expectations for the coming years in each of these trading areas.

6.2.1 Retail Income

The actuals for 2018/19 (last full year) reveal the following retail performance:

| Retail | 2019/20 actuals |
|--|----------------------------|
| Sales | £53,417 |
| ATV | £4.34 |
| Transactions | 12,301 |
| Footfall | 200,477 |
| Ticketed visitors | 53,855 |
| Conversion (all footfall) | 6.14% |
| Conversion (ticketed only) | 22.84% |
| Average spend per | |
| GPM (ex. staff costs) | 43% |
| Net income before overheads | £23,189 |

In 2019/20 the Museum targeted an increase in Gross Profit Margin (before staff costs) in order to increase the profitability of the shop. Following recommendations from a retail consultancy, we have improved visual merchandising and layout, reviewed margins across all lines and sought alternative suppliers where improvements can be made and have developed a new selling space for local artists and makers.

Increases in visitor numbers following *Project Tullie* Phase One will have a positive impact on sales, however, as outlined elsewhere, the significantly reduced visitor numbers brought about the pandemic will have a major impact on trading income in 2020/21 and 2021/22:

| Year | Ticked admissions (#) | Ave spend per paying visitor | Sales | GPM | Income net of cost of sales |
|---------|-----------------------|------------------------------|----------|-----|-----------------------------|
| 2020/21 | 10,100 | £1.72 | £17,448 | 50% | £8,724 |
| 2021/22 | 13,700 | £1.61 | £22,110 | 50% | £11,055 |
| 2022/23 | 47,873 | £1.61 | 78,695 | 50% | £39,348 |
| 2023/24 | 48,493 | £1.64 | £79,714 | 50% | £39,857 |
| 2024/25 | - | - | - | - | - |
| 2025/26 | 84,000 | £2.00 | £168,000 | 50% | £84,000 |

6.2.2 Catering Income

From 1 October 2019, local operator Origins Caterers t/a John Watt & Son took over the catering operation. The driver for this change was the need to improve the visitor experience of the catering offer and use as much fresh, locally sourced produce as possible. The new contract is for five years with a three-year break and is for a profit share in year one, followed by a commission arrangement from year two.

Following the delivery of *Project Tullie* Phase One and the physical re-modelling of the catering offer, we intend to consider the potential of bringing the catering in house, which we estimate will increase net earnings to above £60,000 per annum, through:

- Increased visitor numbers and conversion rates
- An improved offer and environment
- Use of café as a bar for events and summer evening use of the garden

| Year | Ticked admissions (#) | Income (net of VAT and direct costs) | Notes |
|---------|-----------------------|--------------------------------------|--|
| 2020/21 | 10,100 | £6,348 | Expected income in context of Covid-19 |
| 2021/22 | 13,700 | £13,500 | Expected income in context of Covid-19 |
| 2022/23 | 47,873 | £45,450 | John Watts deal |
| 2023/24 | 48,493 | £45,372 | John Watts deal |
| 2024/25 | - | - | (Construction) |
| 2025/26 | 84,000 | £58,710 | Improved environment and offer |

6.2.3 Venue Hire and Events Income

In 2018/19 the museum earned £26,519 from venue hire, before direct and indirect costs. This was double the previous year as a result of new staff joining.

We had budgeted a target of £28,500 for 2020/21 with increases of £2,500 each year in the run up to the delivery of *Project Tullie*.

Following lockdown this area of business has all but dried up and we are forecasting income of less than £5,000 in 2020/21 and just under £10,000 in 2021/22.

Following Phase One of *Project Tullie*, we have assumed a modest increase in sales targets to £40,000+. This acknowledges much improved premises, but also acknowledges the building will be well used for programme, particularly in the evening, meaning that there will be relatively limited additional venue hire opportunities.

6.3 Carlisle City Council

Tullie House was, until 2011, run by the local authority. The City Council continues to provide core income to the Trust, in the form of an annual contract, which is agreed on the basis of a rolling three-year business plan prepared by the Trust. A series of 30-year legal agreements commencing in 2011 underpins key aspects of the operational and contractual relationship between the Trust and the City Council, relating to the care of the Council's collection and buildings (of which it retains legal ownership).

Funding has decreased from the Council in the subsequent years:

| CCC Income type | 2011/12 | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 |
|--|------------------|------------------|------------------|------------------|------------------|----------------|----------------|----------------|----------------|
| Core Grant (Base funding before inflation) | 1,314,420 | 1,256,420 | 1,198,420 | 1,198,420 | 948,420 | 734,420 | 734,420 | 734,420 | 734,420 |
| Inflation | 0 | 18,161 | 37,003 | 47,034 | 80,438 | 77,696 | 89,301 | 118,130 | 146,723 |
| Services (HR/Payroll/ICT) | 0 | 0 | 0 | 0 | 13,294 | 22,388 | 72,480 | 82,498 | 89,403 |
| Revised Base Funding | 1,314,420 | 1,274,581 | 1,235,423 | 1,245,454 | 1,042,152 | 834,504 | 896,201 | 935,048 | 970,546 |

In the context of continued central government austerity policies, the Council has indicated it needs to make further reductions in support and this is likely to mean that this continues to reduce in real terms, even allowing for inflationary increases on a future reduced core grant.

The Council has indicated it will extend the multi-year funding agreement from three years to four, in order to offer stability and certainty in budgeting for both parties.

Notwithstanding the existential challenge presented by on-going Council cuts in the context of the pandemic (as outlined in the following section below), during the period of this plan we continue to make the following assumptions regarding funding from Carlisle City Council over the next four years:

| CCC Income type | 2020/21 | 2021/22 | 2022/23 | 2023/24 |
|---|-----------------|-----------------|-----------------|-----------------|
| | £ | £ | £ | £ |
| Core Contract (Base funding before inflation) | 634,420 | 584,420 | 534,420 | 534,420 |
| <i>Reduction from 2019/20 levels</i> | <i>£100,000</i> | <i>£150,000</i> | <i>£200,000</i> | <i>£200,000</i> |
| Inflation (estimated) | 176,068 | 207,760 | 241,001 | 274,742 |
| Services (HR/Payroll /ICT) | 90,784 | 90,784 | 90,784 | 90,784 |
| Revised Base Income | 901,272 | 882,964 | 866,205 | 899,946 |

6.3.1 Impact of a grant reduction in Carlisle City Council in 2021/22 and 2022/23

The combined effects of the loss of income this year and next mean that Tullie House is no longer in a position to afford the previously planned cut in core funding of £50k in 2021/22, let alone the further cut of £150k proposed by the Council in 2022/23. If these cuts go ahead, by the end of 2021/22 Tullie House will have negative free reserves of £80k and, by the end of 2022/23, negative free reserves of £180k (if the full £150K cut in Council funding is implemented that year). Even without the proposed cut of £50k in 2021/22 there will be negative free reserves of £25k.

Unless the Council is prepared to reconsider and reverse these planned cuts in core funding, without other grant funding, the trustees will have to abandon *Project Tullie* in order to free up designated reserves to cover these losses. However, without the *Project Tullie* investment, losses would continue into the future. Free reserves would remain below the minimum level set by trustees which would trigger a “critical incident” report to the Charity Commission early in 2021 as the Trust would face significant uncertainty regarding its ability to remain a going concern. The Trust has no fixed assets that it can sell, nor an endowment fund to fall back on.

If the Council agrees to reverse the planned cuts, the Trust will still face a projected free reserves deficit of £25k by the end of 2021/22 and the trustees will still need to consider whether it remains viable for Tullie House to progress *Project Tullie*. This will in part depend on the Council’s support for that project as further set out below and the availability of other grant funding.

Tullie House: Projected ‘Free’ Reserves over the next four years, assuming a further reduction in Council funding

| | 2020/21 | 2021/22 | 2022/23 | 2023/24 |
|--|------------------|-----------------|-----------------|-----------------|
| Assumed reduction in CCC core grant | -£100K | -£50K | -£50K | 0 |
| ‘Free’ unrestricted reserves b/forward | 197,661 | 167,764 | (76,601) | (78,854) |
| Profit / (Loss) in the year | 70,103 | (244,406) | (1,871) | 791 |
| Additional designation for Project Tullie | (100,000) | | | |
| ‘Free’ unrestricted reserves c/forward | 167,764 | (76,601) | (78,854) | (78,876) |

Notes on the above table

- **2021/22** – Continued impact of Covid-19 and impact of additional £50K cuts
- **2022/23** - Deficit as a result of an additional £50K cut

6.4 Arts Council England (ACE)

Tullie House is an ACE National Portfolio Organisation (NPO) as part of the Cumbria Museum Consortium (CMC). As such, it receives £323,000 per annum from this source until 2023 (plus £76,000 per annum for joint CMC initiatives, which is expended via Tullie House). As with many NPOs, the impact of losing this funding post-2023 would provide a very significant challenge to the Museum’s ability to deliver the range of activities, engagement and exhibitions, which it currently provides.

This plan assumes as its primary scenario that the CMC is successful in renewing its NPO status, albeit with a standstill grant which assumed no increase in arts funding from central government in the coming years.

If the CMC is unsuccessful then this will have the impact of significantly reducing the range of learning and community engagement programmes delivered by the museum, to which the majority of this funding is currently allocated.

6.5 Fundraising, Exhibition Sponsorship, Grants and Donations

Each year, Tullie House raises between £200,000 - £400,000 from trusts and foundations, national lottery and other statutory sources towards its work, including funding for gallery refurbishment, exhibitions, staff costs and consultancy support on projects. This income forms an important part of the Museum's ability to deliver work beyond the core function it provides in caring for the Council's collection and buildings.

In addition to this contributed income the Museum runs a successful Patrons scheme, launched as part of the 125 Anniversary Dinner in November 2018. Growing the Patron membership is a fundamental part of the museum's future sustainability and as a consequence challenging income targets have been set.

Tullie House has ambitions to raise more funding from philanthropy, however a significant challenge is the lack of dedicated development staff in the museum. Increased unrestricted income from trading could be used to support fundraising capacity in order to grow income in this field.

In 2019/20 fundraising brought in a total of £662,692, however this figure is unusually high due to successful fundraising for the Costume Gallery and the *Project Tullie* masterplan (in 2018/19 £191,761 was raised).

As outlined earlier, future fundraising for the *Project Tullie* capital project will sit outside this business plan.

The target for fundraising for revenue programmes during the period of this business plan will be £160,000 + inflation per annum.

As a result of Covid-19 there are various emergency funds being made available which Tullie House has accessed and will continue to access. These include the Job Retention Scheme, reduced business rates and other arts related funds, which are currently open to application.

6.6 Exhibition Tax Relief

Under current rules Tullie House is able to claim back a portion of its exhibition expenditure in the form of Museums and Galleries exhibitions tax relief. Due to the long-term uncertainty concerning the tax relief regime, we have not counted this income beyond 2020 (when a review is due to be undertaken by HM Government, the outcome of which is as yet unknown). That said it should be noted that £32,000 was claimed from HMRC in 2018/19 and £65,755 is expected to be claimed for 2019/20.

6.7 Income summary, Primary Scenario

| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|--|------------------|------------------|------------------|------------------|------------------------|------------------------------|
| | | | | | Construction Closed | Project Tullie Completion |
| | 2% | 2% | 2% | 2% | 2% | 2% |
| | 1.04 | 1.06 | 1.08 | 1.10 | 1.13 | 1.15 |
| | - | - | 206,000 | 206,000 | 0 | 206,000 |
| | 11,382 | 13,719 | 47,873 | 48,493 | 0 | 84,000 |
| Income | | | | | | |
| Grants (Public) | | | | | | |
| Carlisle City Council Management fee | 897,430 | 882,964 | 866,205 | 899,946 | 917,944 | 936,303 |
| Carlisle City Council Central Services | 20,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 |
| ACE NPO | 406,523 | 406,523 | 406,523 | 406,523 | 406,523 | 406,523 |
| NPO admin recharge to partners | 14,000 | 14,000 | 14,000 | 14,000 | 14,000 | 14,000 |
| Exhibition Tax Relief (HMRC) | 96,000 | 16,000 | 16,320 | 16,646 | 16,979 | 17,319 |
| Grants (core) subtotal | 1,433,953 | 1,327,487 | 1,311,048 | 1,345,115 | 1,363,447 | 1,382,145 |
| Other Grants and Sponsorship | | | | | | |
| Cumbria County Council | 10,000 | 0 | 0 | 0 | 0 | 0 |
| Headley Trust | 15,000 | 0 | 0 | 0 | 0 | 0 |
| DCMS Wolfson (Costume Gallery) | 0 | 0 | 0 | 0 | 0 | 0 |
| LEP / Garfield Weston | 97,795 | 0 | 0 | 0 | 0 | 0 |
| Other grants | 265,233 | 153,000 | 156,060 | 159,181 | 162,365 | 165,612 |
| Donations | 10,000 | 10,000 | 10,000 | 10,000 | 15,000 | 20,000 |
| Other grants & sponsorship subtotal | 398,028 | 163,000 | 166,060 | 169,181 | 177,365 | 185,612 |
| Admissions | | | | | | |
| Admissions Income (net of VAT) | 49,506 | 53,766 | 225,136 | 228,052 | 0 | 460,872 |
| Gift Aid | 4,306 | 4,676 | 19,581 | 19,834 | 0 | 40,083 |
| Tullie Card | 0 | 0 | 0 | 0 | 0 | 0 |
| Membership | 5,000 | 5,000 | 5,000 | 5,000 | 0 | 7,000 |
| Admissions subtotal | 58,812 | 63,442 | 249,717 | 252,886 | 0 | 507,955 |
| Trading (net income) | | | | | | |
| Retail | 8,724 | 11,055 | 39,348 | 39,857 | 0 | 84,000 |
| Catering | 6,348 | 13,500 | 45,450 | 45,374 | 0 | 58,710 |
| Events | 4,275 | 9,000 | 32,000 | 32,640 | 0 | 24,657 |
| Monday alternative and other | 0 | 417 | 1,418 | 1,447 | 1,476 | 1,505 |
| Trading (net of direct costs) subtotal | 19,347 | 33,972 | 118,216 | 119,317 | 1,476 | 168,873 |
| Learning income | 5,664 | 11,555 | 39,288 | 40,074 | 0 | 41,693 |
| Talks and other income/charges | 3,978 | 4,058 | 13,796 | 14,072 | 0 | 30,500 |
| Interest and investments | 6,000 | 6,000 | 6,000 | 6,000 | 500 | 1,000 |
| Central Charges Contribution | | | | | | |
| ACE | 38,500 | 38,500 | 38,500 | 38,500 | 38,500 | 38,500 |
| CBDC | 0 | 12,500 | 12,500 | 12,500 | 12,500 | 12,500 |
| Subtotal Central Charges | 38,500 | 51,000 | 51,000 | 51,000 | 51,000 | 51,000 |
| Total Museum income | 1,964,282 | 1,660,514 | 1,955,125 | 1,997,645 | 1,593,787 | 2,368,778 |
| CBDC income (gross) | | | | | | |
| Income | 72,420 | 73,868 | 75,346 | 76,853 | 78,390 | 79,958 |
| CBDC trading profit | 21,172 | 21,172 | 21,172 | 21,172 | 27,172 | 27,672 |
| Subtotal CBDC income | 93,592 | 95,040 | 96,518 | 98,025 | 105,562 | 107,630 |
| Total income | 2,057,874 | 1,755,554 | 2,051,642 | 2,095,669 | 1,699,349 | 2,476,407 |

7. Expenditure

7.1 Staffing and volunteering

In 2020/21 the staffing budget is projected to be £988,000 (excluding trading staff and CBDC staff).

No single intervention is able to offset the expected reduction in Council funding (-£200k from current levels by 2022/23) in the short-term, so we need to consider reducing staff costs, alongside increasing earned income.

This process began in 2020/21 and by 2021/22 staff costs will be £898,826 (a reduction of over £100K or 11.5% in real terms (i.e. before wage inflation)).

There is currently 43 staff full and part-time at Tullie House, with an FTE of 35.5.

As a result of the pandemic, during the furlough period in 2020 there were 24 staff furloughed plus an additional 17 casual workers (those on zero hour contracts).

As part of *Project Tullie*, there will be an increase in staff capacity in the areas of development and marketing, resulting in additional staff costs of £85k p.a. + inflation from 2025, however these roles will only be maintained if the expected increase in paid admissions is achieved and the Museum income increases accordingly.¹⁶

These additional roles will not be able to be introduced should additional Council reductions be imposed beyond the £200k already budgeted (see *Section 6.3 above*). This would negatively impact the potential for visitor growth following *Project Tullie* and mean that our primary scenario would be reduced to 70,000 visits per annum.

Should it be necessary for the museum to close in 2024/25 due to construction, there will be a saving that year of c.£57k as no 'additional hours' will be required. While visitor-facing volunteers will need to be re-deployed there will be no permanent staff savings as staff will be working on planning for re-opening, collections management work and capital project work.

| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|--|----------------|----------------|----------------|----------------|----------------|------------------|
| | £ | £ | £ | £ | £ | £ |
| Salaries (Trust only) + on costs | 896,417 | 804,581 | 820,673 | 837,086 | 848,500 | 865,470 |
| Additional Development and Marketing Staff | 0 | 0 | 0 | 0 | | 85,000 |
| Additional hours | 49,474 | 50,463 | 56,562 | 57,693 | 0 | 60,024 |
| ACE NPO salaries (directly funded) | 37,274 | 38,781 | 39,557 | 40,348 | 41,155 | 41,978 |
| Total | 983,165 | 893,826 | 916,791 | 935,127 | 889,654 | 1,052,471 |

7.2 Exhibitions and projects

¹⁶ There will be additional fundraising capacity in the years before this which will be paid for as part of the *Project Tullie* capital budget and therefore outside the scope of this Business Plan.

As outlined in the fundraising section above (6.5), 2020 was an anomalous year with higher than usual expenditure for specific projects, notably the Costume Gallery, reflected in increased expenditure this year of £631k+.

It is expected that a more usual steady state of expenditure of c.£300k p.a. will occur from 2021/22 although it is hard to predict how the post-Covid world will play out at the time of writing. Costs are split between exhibitions and projects and 'NPO Expenditure' which is for projects directly funded by ACE NPO income. In the future this expenditure is dependent on ACE NPO status being maintained.

There is likely to be a temporary reduction in exhibitions expenditure should *Project Tullie* construction works require temporary closure of the museum.

Costs are projected to rise with inflation. *Project Tullie* will not necessitate additional increases in exhibitions budgets beyond inflation, as there are no new temporary exhibitions spaces proposed in the Masterplan.

7.3 Operational Costs

In 2019/20 the Museum budgeted £585,000 for operational expenditure, including £143,000 for utilities costs. In 2020/21 this has reduced, due the closure brought about by the pandemic to £406,000 and £114,000 respectively.

Putting this temporary closure to one side, inflationary increases have been used for this business plan, with following adjustments:

- Utilities costs will halve during construction, as contractors will be responsible for part of the site
- Security and maintenance costs will increase by c. £20,000 p.a. as a result of *Project Tullie* to ensure that permanent displays and other renewed areas of the building are properly maintained.

In addition, a capital renewal fund will be instituted, to which the Trust will add £25,000 per annum from 2025/26 onwards. If unspent, this will be added to a designated reserve ('sinking fund') for future major renewal and maintenance, such as replacement of display cases and lighting.

| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|---|----------------|----------------|----------------|----------------|------------------------|------------------------------|
| | | | | | Construction Closed | Project Tullie Completion |
| | 2% | 2% | 2% | 2% | 2% | 2% |
| | 1.04 | 1.06 | 1.08 | 1.10 | 1.13 | 1.15 |
| Utilities | 114,042 | 154,669 | 160,856 | 167,290 | 86,991 | 180,900 |
| Operational Expenditure | | | | | | |
| Rent & Business rates | 19,673 | 67,626 | 68,979 | 70,358 | 71,765 | 73,200 |
| Equipment & Materials | 25,600 | 29,000 | 29,580 | 30,172 | 30,775 | 31,380 |
| Security & Maintenance | 68,900 | 70,278 | 71,684 | 73,117 | 75,000 | 76,500 |
| Depreciation | 55,080 | 56,182 | 57,305 | 58,451 | 59,620 | 60,800 |
| Professional Fees & Insurance | 64,100 | 65,382 | 66,690 | 68,023 | 69,384 | 70,750 |
| IT Services | 42,000 | 42,840 | 43,697 | 44,571 | 45,462 | 46,375 |
| Cleaning | 33,000 | 19,951 | 20,350 | 20,757 | 21,172 | 21,590 |
| General Office Expenses | 23,700 | 24,174 | 24,657 | 25,151 | 25,654 | 26,165 |
| Marketing & Fundraising | 35,500 | 36,210 | 36,934 | 37,673 | 38,426 | 39,190 |
| Training | 7,000 | 14,300 | 14,586 | 14,878 | 15,175 | 15,475 |
| Subscriptions & Licences | 28,500 | 29,070 | 29,651 | 30,244 | 30,849 | 31,455 |
| Bank & Credit card charges | 3,350 | 2,688 | 3,377 | 3,421 | 0 | 6,900 |
| Subtotal operational expenditure | 406,403 | 457,701 | 467,490 | 476,816 | 483,283 | 499,860 |

7.4 Central costs allocated to trading

In 2020/21, £93,995, of central costs will be allocated to trading. This figure is set to rise with inflation over the period of this business plan:

| Costs Allocated to Trading | 2019/20 |
|------------------------------|------------------|
| Salaries, NI & Er's Pension | (£62,885) |
| Utilities | (£12,546) |
| Professional Fees | (£1,122) |
| General Office Expenses | (£5,610) |
| Marketing & Fundraising | (£8,160) |
| Subscriptions & Licences | (£2,652) |
| Bank & Credit card charges | (£1,020) |
| Total allocated costs | (£93,995) |

Any savings offset by the pandemic are included in the overall expenditure projections of the Museum and any adjustments to the projected recharge will be made at year-end.

7.5 CBDC

To ensure its sustainability, CBDC needs to diversify and develop new sources of income.¹⁷ This is a process that has been developing for the past two years and although volatile is proving to be successful. It brings with it a number of challenges to all members of staff as they balance the delivery of current activities and the development of new ones. This change in the business model has resulted in CBDC making a small annual loss, which at present is being offset by reserves accumulated over the past 10 years.

¹⁷ CBDC now offers ecological advice and training as well as project support and data consultancy

7.6 Expenditure summary, Primary Scenario

| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|--|------------------|------------------|------------------|------------------|------------------------|------------------------------|
| | | | | | Construction Closed | Project Tullie Completion |
| | 2% | 2% | 2% | 2% | 2% | 2% |
| Expenditure | | | | | | |
| Staffing | | | | | | |
| Salaries (Trust only) and on costs | 896,417 | 804,581 | 820,673 | 837,086 | 848,500 | 865,470 |
| Additional Development and Marketing Staff | 0 | 0 | 0 | 0 | 0 | 85,000 |
| Additional hours | 49,474 | 50,463 | 56,562 | 57,693 | 0 | 60,024 |
| ACE MPM/NPO salaries | 37,274 | 38,781 | 39,557 | 40,348 | 41,155 | 41,978 |
| Travel and subsistence | 5,000 | 5,000 | 12,734 | 12,989 | 13,248 | 13,513 |
| Restructure allowance (one off) | 0 | 0 | 0 | 0 | 0 | 0 |
| Pension rebate & NI allowance | 0 | 0 | 0 | 0 | 0 | 0 |
| CJRS income | 0 | 0 | 0 | 0 | 0 | 0 |
| Subtotal staffing expenditure | 988,165 | 898,826 | 929,525 | 948,116 | 902,903 | 1,065,985 |
| Exhibitions and Projects | | | | | | |
| Projects | 89,227 | 0 | 0 | 0 | 0 | 0 |
| Project Tullie | 75,000 | 0 | 0 | 0 | 0 | 0 |
| Costume Gallery | 258,154 | 0 | 0 | 0 | 0 | 0 |
| Exhibitions and Projects post 19/20 | 40,000 | 153,000 | 156,060 | 159,181 | 162,365 | 165,612 |
| ACE / CMC Expenditure | 169,246 | 144,890 | 144,890 | 144,890 | 144,890 | 144,890 |
| Subtotal exhibitions and projects expenditure | 631,627 | 297,890 | 300,950 | 304,071 | 307,255 | 310,502 |
| Utilities | 114,042 | 154,669 | 160,856 | 167,290 | 86,991 | 180,941 |
| Operational Expenditure | | | | | | |
| Rent & Business rates | 19,673 | 67,626 | 68,979 | 70,358 | 71,765 | 73,201 |
| Equipment & Materials | 25,600 | 29,000 | 29,580 | 30,172 | 30,775 | 31,391 |
| Security & Maintenance | 68,900 | 70,278 | 71,684 | 73,117 | 75,000 | 76,500 |
| Depreciation | 55,080 | 56,182 | 57,305 | 58,451 | 59,620 | 60,813 |
| Professional Fees & Insurance | 64,100 | 65,382 | 66,690 | 68,023 | 69,384 | 70,772 |
| IT Services | 42,000 | 42,840 | 43,697 | 44,571 | 45,462 | 46,371 |
| Cleaning | 33,000 | 19,951 | 20,350 | 20,757 | 21,172 | 21,596 |
| General Office Expenses | 23,700 | 24,174 | 24,657 | 25,151 | 25,654 | 26,167 |
| Marketing & Fundraising | 35,500 | 36,210 | 36,934 | 37,673 | 38,426 | 39,195 |
| Training | 7,000 | 14,300 | 14,586 | 14,878 | 15,175 | 15,479 |
| Subscriptions & Licences | 28,500 | 29,070 | 29,651 | 30,244 | 30,849 | 31,466 |
| Bank & Credit card charges | 3,350 | 2,688 | 3,377 | 3,421 | 0 | 6,913 |
| Subtotal operational expenditure | 406,403 | 457,701 | 467,490 | 476,816 | 483,283 | 499,862 |
| Trading | | | | | | |
| Salaries | 20,735 | 64,142 | 65,425 | 66,734 | 71,884 | 73,322 |
| Operational costs | 19,050 | 31,732 | 32,367 | 33,014 | 33,674 | 34,348 |
| Central costs allocated to trading | 39,785 | 95,874 | 97,792 | 99,748 | 105,559 | 107,670 |
| Capital renewal allowance | 0 | 0 | 0 | 0 | 0 | 25,000 |
| Total Museum expenditure | 2,180,022 | 1,904,960 | 1,956,613 | 1,996,041 | 1,885,990 | 2,189,960 |
| CBDC Costs | | | | | | |
| CBDC Staffing | 78,357 | 95,000 | 96,900 | 98,838 | 100,815 | 102,831 |
| Other costs | 0 | 0 | 0 | 0 | 0 | 0 |
| CBDC Costs | 78,357 | 95,000 | 96,900 | 98,838 | 100,815 | 102,831 |
| Total Expenditure | 2,258,379 | 1,999,960 | 2,053,513 | 2,094,879 | 1,986,805 | 2,292,791 |
| Surplus (Deficit) | (200,505) | (244,406) | (1,871) | 791 | (287,456) | 183,616 |

8. Primary Scenario – medium term forecast (to 2029/30)

Income and Expenditure Summary 2020/21 – 2029/30

Primary Scenario, Project Tullie Phase One delivered, 80k annual ticketed visits

| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
|---------------------|-------------------|----------|----------|----------|----------------|----------|------------|----------|----------|
| | Costume Gallery | | | | Project Tullie | | Project | | |
| | Opens | | | | Construction | | Completion | | |
| Inflation | 2% | 2% | 2% | 2% | 2% | 2% | 2% | 2% | 2% |
| | 1.02 | 1.04 | 1.06 | 1.08 | 1.10 | 1.13 | 1.15 | 1.17 | 1.20 |
| | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate |
| Footfall | Covid-19 Impacted | | 206,000 | 206,000 | 0 | 206,000 | 206,000 | 206,000 | 206,000 |
| Ticketed Admissions | 10,134 | 13,719 | 47,873 | 48,493 | 0 | 84,000 | 80,000 | 80,000 | 80,000 |
| | (30% scenario) | | | | | | | | |

| Income | | | | | | | | | |
|--------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Carlisle City Council Management Fee | 897,430 | 882,964 | 866,205 | 899,946 | 917,944 | 936,303 | 955,029 | 974,130 | 993,613 |
| Other Core Funding | 536,523 | 444,523 | 444,843 | 445,169 | 445,502 | 445,842 | 446,188 | 446,542 | 446,902 |
| Other Grants & Sponsorship | 398,028 | 163,000 | 166,060 | 169,181 | 177,365 | 185,612 | 193,924 | 202,303 | 205,749 |
| Admissions | 58,812 | 63,442 | 249,717 | 252,886 | 0 | 507,955 | 518,179 | 552,257 | 552,257 |
| Trading (net of direct costs) | 19,347 | 33,972 | 118,216 | 119,317 | 1,476 | 168,873 | 169,931 | 175,179 | 180,625 |
| Learning Income | 5,664 | 11,555 | 39,288 | 40,074 | 0 | 41,693 | 42,527 | 43,377 | 44,245 |
| Talks and other income/charges | 3,978 | 4,058 | 13,796 | 14,072 | 0 | 30,500 | 31,110 | 31,732 | 32,367 |
| Interest and investments | 6,000 | 6,000 | 6,000 | 6,000 | 500 | 1,000 | 1,500 | 2,000 | 2,500 |
| Central Charges | 38,500 | 51,000 | 51,000 | 51,000 | 51,000 | 51,000 | 51,000 | 51,000 | 51,000 |
| Total Museum Income | 1,964,282 | 1,660,514 | 1,955,125 | 1,997,645 | 1,593,787 | 2,368,778 | 2,409,389 | 2,478,520 | 2,509,257 |
| CBDC Gross Income | 93,592 | 95,040 | 96,518 | 98,025 | 105,562 | 107,630 | 109,729 | 111,860 | 114,024 |
| Total Income | 2,057,874 | 1,755,554 | 2,051,642 | 2,095,669 | 1,699,349 | 2,476,407 | 2,519,117 | 2,590,380 | 2,623,280 |

| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
|---------------------|-------------------|----------|----------|----------|----------------|----------|------------|----------|----------|
| | Costume Gallery | | | | Project Tullie | | Project | | |
| | Opens | | | | Construction | | Completion | | |
| Inflation | 2% | 2% | 2% | 2% | 2% | 2% | 2% | 2% | 2% |
| | 1.02 | 1.04 | 1.06 | 1.08 | 1.10 | 1.13 | 1.15 | 1.17 | 1.20 |
| | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate |
| Footfall | Covid-19 impacted | | 206,000 | 206,000 | 0 | 206,000 | 206,000 | 206,000 | 206,000 |
| Ticketed Admissions | 10,134 | 13,719 | 47,873 | 48,493 | 0 | 84,000 | 80,000 | 80,000 | 80,000 |
| | (30% scenario) | | | | | | | | |

Expenditure

| | | | | | | | | | |
|------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Staffing Costs | £988,165 | £898,826 | £929,525 | £948,116 | £902,903 | £1,065,985 | £1,087,305 | £1,109,051 | £1,131,232 |
| Exhibitions and Projects | 631,627 | 297,890 | 300,950 | 304,071 | 307,255 | 310,502 | 313,814 | 317,193 | 320,639 |
| Utilities | 114,042 | 154,669 | 160,856 | 167,290 | 86,991 | 180,941 | 188,178 | 195,706 | 203,534 |
| Operational Expenditure | 406,403 | 457,701 | 467,490 | 476,816 | 483,283 | 499,862 | 509,862 | 520,389 | 530,646 |
| Central Costs allocated to Trading | 39,785 | 95,874 | 97,792 | 99,748 | 105,559 | 107,670 | 109,823 | 112,020 | 114,260 |
| Capital Renewal Allowance | 0 | 0 | 0 | 0 | 0 | 25,000 | 25,000 | 25,000 | 25,000 |
| Total Museum Expenditure | £2,180,022 | £1,904,960 | £1,956,613 | £1,996,041 | £1,885,990 | £2,189,960 | £2,233,983 | £2,279,357 | £2,325,310 |

| | | | | | | | | | |
|--------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| CBD Costs | £78,357 | £95,000 | £96,900 | £98,838 | £100,815 | £102,831 | £104,888 | £106,985 | £109,125 |
| Total Expenditure | £2,258,379 | £1,999,960 | £2,053,513 | £2,094,879 | £1,986,805 | £2,292,791 | £2,338,871 | £2,386,343 | £2,434,436 |

| | | | | | | | | | |
|--|-------------------|-------------------|-----------------|-------------|-------------------|-----------------|-----------------|-----------------|-----------------|
| Surplus (Deficit) | (£200,505) | (£244,406) | (£1,871) | £791 | (£287,456) | £183,616 | £180,247 | £204,037 | £188,845 |
| Transfer from Reserves (restricted funding) | 270,608 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Final position after planned transfer | 70,103 | (244,406) | (1,871) | 791 | (287,456) | 183,616 | 180,247 | 204,037 | 188,845 |

| | | | | | | | | | |
|-------------------------------------|---------|------------|----------|------|------------|---------|---------|---------|---------|
| Contingency Allowance | £0 | £0 | £0 | £0 | £0 | £25,000 | £25,000 | £25,000 | £25,000 |
| Contribution to Reserves | £70,103 | (£244,406) | (£1,871) | £791 | (£287,456) | £79,308 | £77,623 | £89,519 | £81,922 |
| Inv. in Project Tullie later phases | £0 | £0 | £0 | £0 | £0 | £79,308 | £77,623 | £89,519 | £81,922 |

9. Scenarios and Sensitivity

9.1 Summary of Scenarios

We have examined a range of potential future scenarios in preparing this business plan and in the associated work we have undertaken on the *Project Tullie* development plan.

These scenarios look at various delivery options and impacts, all of which have been prepared to the same level of financial detail.

We have included three scenarios in this business plan:

Scenario 1:

- Reduction of ticketed visitors and other earned income to 30% of pre-pandemic levels in 2020-21 and 2021-22.
- *Project Tullie* goes ahead with completion of the first phase in 2025/26, results in an increase in visitors to **c.80k ticketed visits per annum**

Scenario 2:

- Reduction of ticketed visitors and other earned income to 30% of pre-pandemic levels in 2020-21 and 2021-22.
- *Project Tullie* goes ahead with completion of the first phase 2025/26, results in an increase in visitors to **c.70k ticketed visits per annum**

Scenario 3:

- Reduction of ticketed visitors and other earned income to 30% of pre-pandemic levels in 2020-21 and 2021-22.
- *Project Tullie* goes ahead with completion of the first phase 2025/26, results in an increase in visitors to **c.60k ticketed visits per annum**

Scenario 4:

- *Project Tullie* doesn't go ahead
- Reduction of ticketed visitors and other earned income to 30% of pre-pandemic levels in 2020-21 and 2021-22.
- 5% annual decline in visitor numbers from **2024/25** with ongoing reductions after this reflecting lack of capital investment in exhibitions.

Scenario 1 is the primary scenario adopted in this business plan

9.2 Sensitivity of the Primary Scenario

Four sensitivity analyses have been undertaken on the income modelled in this plan:

- 1) Based solely on the admission charges
- 2) Based on all income as a whole (including admissions, retail, catering, raised and other grant income).

Both of these have been applied to:

- 1) The post-pandemic model (2022/23)
- 2) The post-*Project Tullie* model (2025/26)

The impact of the pandemic has been so significant that any sensitivity analysis of this year and next year would be of limited worth as it is clear that the Museum is not sustainable in these two years without significant additional investment from emergency government support and the cancellation of planned Council cuts.

| | |
|---|--------------------|
| Tullie House | |
| Sensitivity Analysis | 2022/23 |
| Post-Costume Gallery | Costume Gallery |
| <hr/> | |
| | £ |
| INCOME | |
| <hr/> | |
| Admission and user charges | 263,512 |
| Trading | 118,216 |
| Public Sector | 1,311,048 |
| Grants and Donations | 166,060 |
| Learning Income | 39,288 |
| ACE/CBDC recharges | 51,000 |
| CBDC | 96,518 |
| Bank interest and investments | 6,000 |
| Total income (A) | 2,051,642 |
| SPENDING | |
| <hr/> | |
| Direct operating costs | |
| Staffing | 929,525 |
| Exhibitions and Projects | 300,950 |
| Utilities and Operational Costs | 628,346 |
| Trading | 97,792 |
| CBDC | 96,900 |
| Non-recoverable VAT | 0 |
| Total spending (B) | 2,053,513 |
| <hr/> | |
| Operating surplus or deficit (A-B) | (1,871) |
| <hr/> | |

This analysis shows that there is no sensitivity to negative variance as pre-*Project Tullie*, the Museum is projecting at best to break even.

The Costume Gallery combined with reducing staff costs delivers additional income and savings, but these are largely taken up with responding to the expected further reduction in Council income in 2021/22 and 2022/23.

**Tullie House
Sensitivity Analysis
Post-Project Tullie**

2025 / 26

Project
Tullie

£

INCOME

| | |
|-------------------------------|------------------|
| Admission and user charges | 538,455 |
| Trading | 168,873 |
| Public Sector | 1,382,145 |
| Grants and Donations | 185,612 |
| Learning Income | 41,693 |
| ACE/CBDC recharges | 51,000 |
| CBDC | 107,630 |
| Bank interest and investments | 1,000 |
| Total income (A) | 2,476,407 |

SPENDING

| | |
|---|------------------|
| Direct operating costs | |
| Staffing | 1,065,985 |
| Exhibitions and Projects | 310,502 |
| Utilities, Operational Costs, capital renewal | 705,803 |
| Trading | 107,670 |
| CBDC | 102,831 |
| Non-recoverable VAT | 0 |
| Total spending (B) | 2,292,791 |

| | |
|---|----------------|
| Operating surplus or deficit (A-B) | 183,616 |
|---|----------------|

Sensitivity analysis:

(i) TOTAL 'Cover' **183,616**

All income

Negative variance of: - *(i) Cover*

| | | |
|-------------|----------------|----------|
| 5.0% | 123,820 | 59,796 |
| 7.4% | 183,616 | 0 |

7.5% 185,731 (2,114)

Admissions

Negative variance of: -

| | | |
|------------|----------------|----------|
| 10.0% | 53,845 | 129,771 |
| 15.0% | 80,768 | 102,848 |
| 20.0% | 107,691 | 75,925 |
| 34% | 183,616 | 0 |

Tullie House Business Plan

The level of 'cover' is equal to the projected surplus for the year. In this instance (2025-26) this indicates that there are the following levels of sensitivity in this model:

- All income: 7.4 %
- Admissions income only: 34%

7% - 34% suggests moderate sensitivity and risk. In the scenarios detailed in *9.3 Scenario Planning* below, a sustainable business model at 60k visitors post-*Project Tullie* has been identified, which represents a reduction of 22% in ticket income from the primary 80k visitor scenario.

9.3 Scenario Planning

The range of annual visitor numbers expected at Tullie House following the delivery of *Project Tullie* is presented in a range of scenarios, which takes into consideration:

- Size of local and tourist market
- Potential conversion of Carlisle and Borderlands visitors
- Potential conversion of Carlisle residents

Three post-*Project Tullie* scenarios have been modelled in this business plan, together with their respective penetration rates. These scenarios are:

- 80,000 visitors per annum – primary scenario
- 70, 000 visitors per annum
- 60,000 visitors per annum

9.3.1 Primary Scenario, Scenario 1, visitor numbers: 80,000 visitors per annum with an initial 5% spike in the first year of opening

We are adopting the 80,000 visitors model as the primary expected model for planning purposes, though all three models have been worked up to the same level of detail to illustrate how the Museum's business model can be flexed downwards to produce a sustainable operation at all three levels.

This primary scenario forms the basis for this business plan as well as the longer-term forecasts that will be required for our major capital funders.

Sections 9.3.3 and 9.3.4 below explain the key changes to income and expenditure in the 70k and 60k models.

The Primary Scenario delivers a surplus of £183k in the first year, which is important in order to:

- Provide an adequate contingency against admissions and trading not meeting expectations;
- Enable the Museum to replenish its reserves following the first phase of *Project Tullie* which will involve a deficit of c.£280k-£300k in the construction year due to loss of admissions and trading income;
- Enables the Museum to invest in realising future phases of *Project Tullie*.

In this scenario it is anticipated the surplus in 2025/26 would be utilised as follows:

| | |
|---|---------|
| Contingency allowance | £25,000 |
| Contribution to reserves | £79,308 |
| Investment in Project Tullie later phases | £79,308 |

At this level of surplus, the Museum would replenish its reserves to pre-Phase 1 levels in seven years and be able to invest £400k in future phases of *Project Tullie*.

9.3.2 Primary Scenario, opening date: 1st April 2025

An opening date of 1st of April 2025 is proposed. This has been used in year projections presented.

9.3.3 Scenario 2, 70,000 visitors per annum

The key changes in this model are:

Income

- Reduced ticket and gift aid income
- Reduced catering and retail income
- Total reduction in income in 2025/26 compared to 80,000 visitor model: c.£110k

Expenditure

- No reduction in planned expenditure
- Reduction in surplus to c.£72k, meaning that the Museum will take longer to rebuild its reserves position following the construction phase of *Project Tullie*.

In this scenario it is anticipated the surplus in 2025/26 would be utilised as follows:

| | |
|--|---------|
| Contingency allowance | £25,000 |
| Contribution to reserves | £23,539 |
| Investment in <i>Project Tullie</i> later phases | £23,539 |

At this level of surplus, the Museum would replenish its reserves to pre-Phase 1 levels in 8 years and be able to invest £180k in future phases of *Project Tullie*.

9.3.4 Scenario 3, 60,000 visitors per annum

The key changes in this model are:

Income

- Reduced ticket and gift aid income
- Reduced catering and retail income
- Total reduction in income in 2024/25 compared to 80,000 visitor model: c.£130k

Expenditure

- Reduction in additional marketing staff capacity
- Reduction in surplus to c.£50k, meaning that the Museum will take much longer to rebuild its reserves position following the construction of the first phase of *Project Tullie*.

In this scenario it is anticipated the surplus in 2025/26 would be utilised as follows:

| | |
|--|---------|
| Contingency allowance | £25,000 |
| Contribution to reserves | £25,511 |
| Investment in <i>Project Tullie</i> later phases | £0 |

At this level of surplus, the Museum would take much longer to replenish its reserves and not be able to invest significantly in future phases of *Project Tullie*.

9.3.5 Scenario 4, no *Project Tullie*

The key changes in this model are:

Income

- Reduced ticket and gift aid income
- Reduced catering and retail income
- Total reduction in income in 2025/26 compared to 80,000 visitor model: c.£225k+

Expenditure

- No additional staff appointed as in the *Project Tullie* go-ahead scenarios
- Growing deficits as there is no visitor number increase (as in *Project Tullie* go-ahead scenarios)
- Deficit of almost £100k by 2027/28

This scenario underlines the imperative to make investment in the museum, in order to grow the number of ticketed visitors and associated income.

10. Communications Plan

Communications is a key priority for Tullie House following the development of the Costume Gallery and then *Project Tullie*. Effective communications strategy and practice are critical if Tullie House is to achieve its objectives in the areas of:

- Visitor numbers
- Local engagement, especially around learning
- Related earned income projections
- Hires and business development
- Stakeholder communication and engagement
- Funders and potential funders, advocacy
- Evaluation and Impact assessment

Tullie House is developing a detailed communications strategy which will outline the key audiences, tools, objectives and actions for 2020 and beyond to support the Museum in fulfilling the ambitions of the Costume Gallery. A summary of this strategy is presented here.

Audiences

Tullie House's communications will be tailored to a segmented range of audiences:

Visitors

- Day visitors to the Carlisle / North Lakes area
- Staying visitors to Cumbria and the Borderlands
- Potential family visitors
- Potential independent adult visitors
- Local communities
- Specialist audiences

Local

- Local residents
- Local schools and parents
- Local stakeholder and user groups
- Friends and patrons
- Local authority

Advocacy: Funders and potential funders, other stakeholders

- Friends and patrons
- Trusts and Foundations – funders and potential funders
- Local authorities
- Key influencers
- ACE and other major capital project supporters

Peers

- Specialist audiences
- Other culture and tourism providers in Cumbria and the Borderlands
- Professional colleagues nationally with shared interest

Communications Tools and Actions for 2020 and Beyond

| Objective | Audience | Comms Tools | Objectives for 2020 and beyond |
|-----------|---|--|--|
| Visitors | <ul style="list-style-type: none"> – Day visitors to the Carlisle and North Lakes area – Staying visitors to Cumbria – Potential Family visitors – Potential independent adult visitors – Local communities – Specialist and enthusiast audiences | <ul style="list-style-type: none"> – Website and social media – Printed publicity material (leaflets) – Hotels, station, TIC & M6 corridor distribution – Posters – Advertising – Press and Editorial – Direct staff engagement | <ul style="list-style-type: none"> – Highlight the Costume Gallery in TH digital and print distribution – Add Costume Gallery section to the TH website – Press and editorial around opening, special events and exhibitions – Web monitoring – Produce regular press releases for local and specialist media |
| Local | <ul style="list-style-type: none"> – Local residents – Local schools and parents – Local stakeholder and user groups – Friends and patrons – Local authority | <ul style="list-style-type: none"> – Website – Online learning resources – Electronic newsletter, – Social media, – Local press and media – School and community distribution channels established for printed materials | <ul style="list-style-type: none"> – Add Costume Gallery section to the TH website – Local press and editorial around opening, special events and exhibitions – Produce quarterly e-newsletter, including for schools – Enhance twitter/facebook presence and feed into the website – Produce regular press releases for local and specialist media – Ensure TH print distribution includes schools & community groups |
| Advocacy | <ul style="list-style-type: none"> – Key influencers, – Donors – Potential donors – Friends and patrons – Trusts & Foundations – Funders and potential funders – Local authority – ACE and other major capital | <ul style="list-style-type: none"> – Case for support, – Annual reports – Press – Website – Direct staff engagement | <ul style="list-style-type: none"> – Produce and distribute case for support – Include impact and advocacy reporting in annual report and case for support – Produce regular press releases for local and specialist media |

| | | | |
|-------|---|--|---|
| | project supporters | | <ul style="list-style-type: none"> – Senior staff to map out advocacy plan |
| Peers | <ul style="list-style-type: none"> – Specialist audiences – Other culture and tourism providers in Cumbria / Borderlands – Professional colleagues nationally with shared interest | <ul style="list-style-type: none"> – Local press, website, social media, Guidance notes | <ul style="list-style-type: none"> – Renew website – Produce quarterly newsletter, enhance social media (twitter, facebook) – Engage with specialist professional media (e.g. Museum's Journal, Art Newspaper, Art Quarterly etc.) |

11. Risk

Methodology

The register methodology adopted for this plan is the 'xy+x' model, which gives greater weighting to impact over likelihood.¹⁸

For example an event with medium likelihood (3) but low impact (1) scores 4 ((3x1)+1), whereas an event with medium likelihood (3) and high impact (5) scores 20 ((3x5)+5).

Minor risks: Scores under 10 = green

Moderate risks: Scores of 10 -19 = amber

Major risks: Scores of 20 and above = red

| | | | | | | | |
|-----------------------------|------|---|--------|----|----|----|------|
| Likelihood of occurrence | High | 5 | 6 | 12 | 18 | 24 | 30 |
| | | 4 | 5 | 10 | 15 | 20 | 25 |
| | | 3 | 4 | 8 | 12 | 16 | 20 |
| | | 2 | 3 | 6 | 9 | 12 | 15 |
| | Low | 1 | 2 | 4 | 6 | 8 | 10 |
| | | | 1 | 2 | 3 | 4 | 5 |
| | | | Impact | | | | |
| | | | Low | | | | High |

¹⁸ Adopted from *A toolkit for effective risk management*, Kingston Smith

Risk Register

The risk register that follows adopts this 'xy+x' model and each risk is colour coded as above.

The register relates to risks with the operating business model. A risk register relating to specific risks on the capital project is included in the *Project Tullie* Masterplan and is available on request.

Operational risk register

| Risk Identified | Likelihood | Impact | Score | Mitigation/control | Improvements | Action | Review |
|------------------|------------|--------|-------|--|---|------------------|-----------|
| Visitor numbers | | | | | | | |
| Targets not met | 5 | 4 | 24 | Maintain ambitious approach to opening-up of the Museum post – pandemic | | Director | Quarterly |
| | | | | Marketing strategy in place | Continue to develop TH brand and respond to visitor numbers | Director/Comms | Ongoing |
| | | | | Cost and activities constantly reviewed to ensure activities correlate with earnings | Quarterly management accounts reviewed by the board | Director/Finance | Quarterly |
| Targets exceeded | 1 | 1 | 2 | Detailed market analysis and benchmarking establishing targets. | Building flexible with capacity for considerably higher than predicted visitor levels. Business model links success with income, therefore extra resources can be channelled to respond to need for extra maintenance, cleaning, staffing etc.... | Director/Finance | Quarterly |

| Visitor Expectations | | | | | | | |
|--|---|---|----|--|--|---|--|
| Visitor expectations not met | 2 | 4 | 12 | Planning for quality in all aspects of delivery of offer in an attempt to minimise the impact of the pandemic on visitors. | Quality monitoring factored into KPIs for regular review | Director / Head of Programme / Head of Collections and Engagement | Quarterly |
| | | | | Maintain breadth of programme across exhibitions, film and events | Monitoring factored into KPIs for regular review | As above | Ongoing and Quarterly |
| | | | | Expectations (particularly around programme) to be managed pre and post-opening. | Communications strategy includes being clear about the offer at Tullie House | As above | Ongoing and Quarterly |
| Communications | | | | | | | |
| Potential market not aware of Tullie House offer | 1 | 5 | 10 | Communications strategy to be implemented | Communications strategy across all channels respond to research on how potential visitors find out about TH | Communications | Ongoing. Quarterly Comms update to board |
| Tullie House has low local profile | 1 | 4 | 8 | As above | As above | As above | As above |
| Operations and earned income | | | | | | | |
| Catering targets not met | 5 | 4 | 24 | Prudent targets, benchmarked against relevant comparators. Partnership with experienced catering provider | Engagement of board member with specialist skills to advise on management of catering provider. On-going review of Covid impact and creative attempts at mitigation | Director/ Finance/ Board | Quarterly |

| | | | | | | | |
|---|---|---|----|---|--|--------------------------|--------------------|
| Retail targets not met | 5 | 3 | 18 | Prudent targets, benchmarked against relevant comparators. Staff costs covered by FoH function | Costs and product lines kept under review. Engagement of board member(s) with specialist skills On-going review of Covid impact and creative attempts at mitigation | Director/ Finance/ Board | As above |
| Development income targets not achieved | 3 | 3 | 12 | Appointment of Fundraiser. Regular review of development performance. | Costs, especially staff costs, kept under review. | Director/ Board | Quarterly |
| Operational and building costs greater than planned | 2 | 4 | 12 | Allowances have been increased across utilities, maintenance, insurance in response to detailed benchmarking with other organisations. Building designed to environmentally be light-touch. | Potential to attribute more resource to this activity in the higher visitor number scenarios should this result in higher costs. | Director/ Finance | Quarterly |
| Financial management | | | | | | | |
| Fraud by staff or consultants | 1 | 4 | 8 | Systems in place involving Tullie House staff and external consultants | Systems continually reviewed and activity across all accounts monitored | Director/ Finance | Annual and ongoing |
| Organisational development and management | | | | | | | |
| Failure to recruit skilled key staff | 2 | 3 | 12 | Local communication of opportunities Perception that Tullie House is a good employer. | Demonstrate opportunities to develop within roles | Director / Board | ongoing |

| | | | | | | | |
|---|---|---|----|--|--|---|-----------|
| Key staff leave during capital phase | 3 | 4 | 16 | | Organisational and project knowledge spread throughout the organisation and board; | All staff and board; | ongoing |
| Governance | | | | | | | |
| Board does not respond to challenges of capital project | 1 | 3 | 6 | Leadership of Chair and Director. | Successfully meeting key project milestones | Chair/ Director | Ongoing |
| Exhibitions and Learning Programme | | | | | | | |
| Costs under-estimated | 1 | 4 | 8 | Programme costs based on existing delivery model | Programme can be flexed to respond to unexpected costs | Director / Head of Programme / Head of Collections and Engagement | Quarterly |

12. Economic Impact

Tullie House commissioned a 10-year Economic Impact Study to establish the impact of a proposed £17 million capital investment at the museum on the local, regional and wider economy.

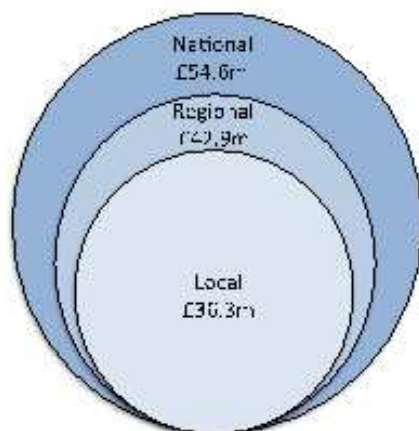
The study assesses the expected impact of the project in terms of volume and value of spend on the local, regional and national economic geographies across a number of sectors.

The business case for the *Project Tullie* projects 638,000 ticketed visits to the Museum over the 10-year period between 2020/21 - 2029/30.

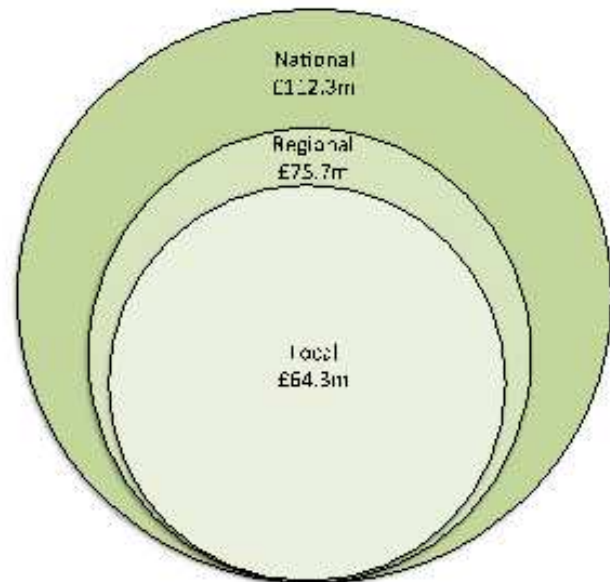
The developments will result in £1.8m of *additional* operational expenditure at Tullie House over the same period (excluding salary costs) and will directly support 35 FTE jobs in the region, with a further 48 FTE jobs supported in the wider economy (indirect and induced Impact).

In addition, the direct spend on construction through contractors and suppliers, will support approximately 50 construction-related jobs throughout the build process.

The study demonstrates that almost £112m will be generated over 10 years of the Economic Impact Study (2020/21- 2029/30) through three geographic areas (local, regional and national), as follows:



10 year impact, no project,
2020/21 – 2029/30



10 year impact, project go-ahead
2020/21 – 2029/30,
80,000 ticketed visitors p.a.

Appendix I: Action Plan 2018-22

This Action Plan was written pre-pandemic and will be revised in 2020/21 to reflect the current situation.

| Financial Sustainability | | | | |
|--------------------------|---|--|------|------------------|
| Aim | Financial Sustainability | | | |
| Objective 1. | Develop an organisational focus on generating greater earned income and delivering efficiency savings | | | By Who m By When |
| Deliverables | 1.1 | Ensure that staff and trustees are fully engaged in understanding the need to focus organisational effort on income generation. Ensure that recruitment is focused on employing staff with experience of income generation | SLT | Ongoing |
| | 1.2 | We will increase admissions to 47,000, a 14% increase on 2017/18. This will be achieved by: <ul style="list-style-type: none"> Rebrand of the Annual Ticket offer to include access to family events; Bespoke marketing campaigns for each exhibition Delivery of exhibition and engagement programmes to target general and cultural tourists linked to our two World Heritage Sites | SLT | March 2020 |
| | 1.3 | Increase admissions income (from 2017/18) by 36% (an increase of £35k) by 2020 and achieve Gift Aid target of £15k | SLT | 2020 |
| | 1.4 | Increase shop income by 3% (an increase of £2k) by 2020 (with no capital investment) and increase average profit margin to 50% | HC&E | March 2020 |
| | 1.5 | Conduct tendering exercise for new caterers to improve the catering offer and increase turnover from 2020/21 | HF&R | October 2019 |
| | 1.6 | Increase income from learning activity (including schools, consultancy, university teaching) by 25% (from 2017/18 baseline) by 2020 | HC&E | 2020 |
| | 1.7 | Generate at least £10k of income per year from curatorial research and development (e.g. loans, images, talks) | HC&E | 2020 |
| | 1.8 | Increase the number of Members to 300 by 2020 and Patrons to 30 | HP&D | March 2020 |
| | 1.9 | Developing our exhibitions programme in the following specific ways: <ul style="list-style-type: none"> Develop high quality exhibitions, using minimal expenditure and maximizing efficient use of materials by recycling & reusing Minimise costs by working in partnership, seeking funding opportunities and efficiencies Be clear about our target audience (ref. 1.2), our marketing and how we can maximise income generation opportunities Maximise the income potential of collections and associated events & engagement through the temporary programme | HP&D | Ongoing |

| | | | | |
|---------------------|--|--|-----------------------|---|
| | | <ul style="list-style-type: none"> ○ Ensure better collaboration via the Programme Executive Group to ensure greater communication across the organisation | | |
| | 1.10 | Commit to reducing our carbon footprint by: <ul style="list-style-type: none"> ○ Giving staff Carbon Literacy training to all staff and feeding this into our Environmental Action Plans ○ Agree annual carbon reduction and water consumption targets with Julie's Bicycle based on 2018/19 baseline with progress reviewed annually against targets ○ Increase energy efficiency through capital redevelopments and incremental improvements ○ | SLT | Ongoing March 2020 Q2 2019 Ongoing |
| | 1.11 | Update Procurement Policy | Dir | October 2019 |
| Objective 2. | Improve management information so that the Senior Leadership Team and Management Team can better manage performance | | By Who m | By When |
| | 2.1 | Ensure that the Management Team provide Senior Leadership Team with accurate monthly KPIs so that all levels of management can understand and manage performance effectively | SLT | Ongoing |
| | 2.2 | Ensure that the Trust's CRM system (TOR) is fit for purpose, maintained and effective communication with supplier is adhered to. | HC&E & HP&D | March 2020 |
| | 2.3 | Ensure that the Trust uses its Audience Development Plan to drive up admissions, memberships and earned income to ensure we achieve targets in 1.2 | HC&E & HP&D | Ongoing |
| | 2.4 | As part of CMC we will fulfil our survey requirements for the Audience Finder prog (380) and the Impact and Insights evaluation programme (four in 2019/20) | HC&E | March 2020 |
| | 2.5 | Review Emergency Plan by the end of March 2020 | SLT | March 2020 |
| Objective 3. | Secure funding to initiate a programme of capital developments designed to generate a significant increase in earned income | | By Who m | By When |
| | 3.1 | Produce a comprehensive Masterplan showing the development potential of the site over a 15-year period | Dir & HP&P | September 2019 |
| | 3.2 | Deliver DCMS / Wolfson funded Costume Gallery as Phase 1a of Project Tullie Masterplan, including securing additional funding from other sources (e.g. LEP, Garfield Weston) | Dir, HP&P, HC&E | March 2020 |
| | 3.3 | Submit capital funding applications to HLF for Phase I of Masterplan | Dir & HP&P | November 2019 |

| | | | | |
|---------------------|--|---|---------------|------------|
| | 3.4 | Continue to undertake a programme of gallery refreshes using restricted reserves: Origins Gallery, Formations Display, new Social History Display | HC&E | March 2019 |
| Objective 4. | Actively increase income from trusts, foundations, individuals and corporates | | By Who m | By When |
| | 4.1 | Produce Fundraising Strategies for 2020 -2022 to focus on identifying funding opportunities, develop key stakeholder relationships, explore partnership opportunities and support/promote/strengthen charitable messaging. Produce separate fundraising strategy for Project Tullie. | HP&P | March 2020 |
| | 4.2 | Secure funding to undertake the following curatorial projects: <ul style="list-style-type: none"> ○ Apply to Designation Development Fund for additional capacity and project funding within the natural Sciences collection ○ Use Curatorial Trainee post to generate income and increase collections access by April 2020 | HC&E | June 2019 |
| | 4.3 | Work with our Trustees to develop our capacity to raise more income from fundraising, aiming to raise £100k of contributed income by 2020 | Dir & HP&D | March 2020 |
| Aim | Community Engagement | | | |
| Objective 5. | Focus on developing greater engagement with the Carlisle community | | By Who m | By When |
| Deliverables | 5.1 | Across CMC deliver targeted activity programmes for 0-5s in response to high demand and identified potential for growth, with a 5% increase annually on the 18-19 baseline | HC&E | 2022 |
| | 5.2 | Ensure access and inclusivity is at the heart of our spaces and programmes: <ul style="list-style-type: none"> ○ Undertake an audit of our galleries/spaces to identify possible barriers to access. ○ All staff to attend diversity awareness training. ○ Explore new, inclusive approaches to interpreting collections in 18-19 and embed in 19-20. ○ Trial 'relaxed' craft sessions for families with children with SEND ○ Contribute to CMC target of increasing diversity of groups involved in developing exhibitions by 20% by 2022 | HC&E | March 2020 |
| | 5.3 | Develop co-production with our communities and embed the Creative Case for Diversity within the organisation. <ul style="list-style-type: none"> ○ Actively participate in the cross-CMC Creative Case Action Group | HC&E and HP&P | Ongoing |

| | | | | |
|--|------|---|---------------|---------------|
| | | <ul style="list-style-type: none"> Quarterly meetings of the TH CCD Action Group, under strategic development of the Programming Executive Group Continue to offer diverse artist response opportunities in partnership with Prism Arts Develop ongoing programme of gallery updates using the TH collections and principles of co-creation & CCD As part of CMC, share CCD learning and outcomes with museums across Cumbria | | |
| | 5.5 | Ensure Collections Management procedures are followed to the highest standards, working towards Level 4 requirements of Accreditation, with the aim of increasing accessibility of collections. Achieve Level 3 and create plan for achieving Level 4 by end of March 2020 | HC&E | March 2020 |
| | 5.7 | Develop Contemporary Collecting Programme to acquire and develop collections in partnership with local people, donors and grant giving bodies, including the development of a sector conference | HC&E | December 2019 |
| | 5.8 | Contribute to the production of high quality publications which will support greater understanding of collections <ul style="list-style-type: none"> Academic research Publications relating to collections (2 by 2022) | HC&E | 2022 |
| | 5.9 | Respond to national events and campaigns via social media and our programme | HP&P and HC&E | Ongoing |
| | 5.10 | Support contemporary artists to offer fresh perspectives on our sites and collections, subject to resources. | HP&P and HC&E | |
| | 5.11 | Create and deliver programmes that increase the number and range of school pupils engaging with the museum with a 5% annual increase on 18-19 baselines | HC&E | March 2020 |
| | 5.12 | Extend Arts Award provision, contributing to reaching the CMC target of increasing the number of Arts Awards achieved annually by 27% from 776 to 985 by 2022 | HC&E | March 2022 |
| | 5.13 | Explore the development of a Carlisle LCEP as part of Carlisle Culture programme | HC&E | March 2020 |
| | 5.14 | Deliver ACE funded programme of activity and participation for Young People at 300 participation days annually and deliver the HLF funded Hope Streets programme (ongoing to 2022). | HC&E | Ongoing |
| | 5.15 | Deliver targeted activity programmes for families, increasing engagement by family members at 5% annually from 18-19 baselines. | HC&E | 2022 |

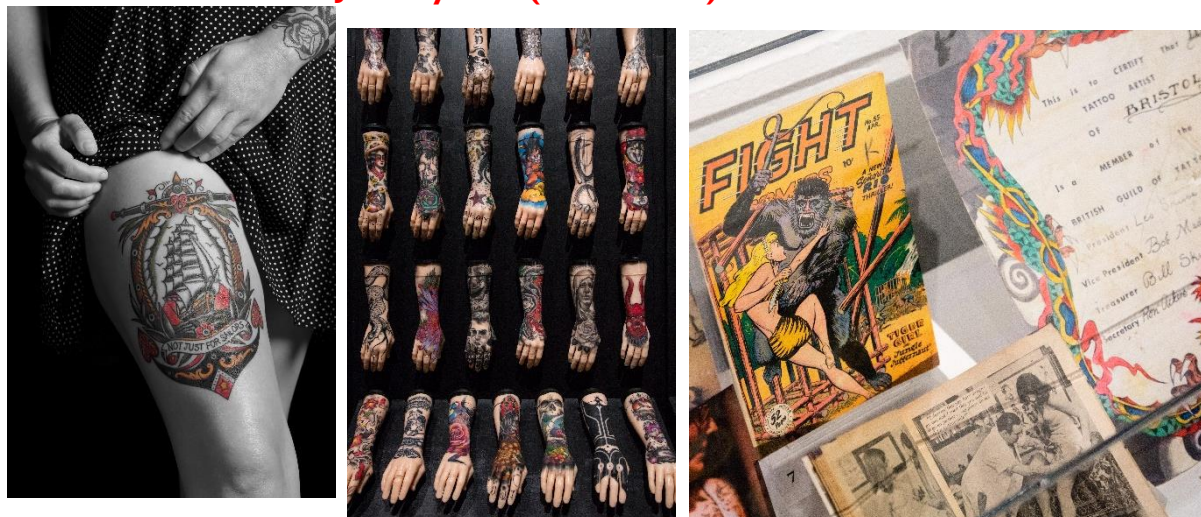
| | | | | |
|---------------------|--|---|---------------|---------------------------------|
| | 5.16 | Expand and develop our digital offer as part of CMC: <ul style="list-style-type: none"> ○ Pilot and deliver programme of virtual assemblies for teachers. ○ Support cross-departmental digital team to drive digital ambition and increase captured content (filming and live-streaming artists and curator talks etc). ○ Increase work with artists who create digital work (i.e. Creative Content), conducting scoping exercises and defining best practice by end of 2019 and a pilot project by end of 2022 ○ Deliver digital project with YP group ○ Ensure each exhibition features an element of creative media | HC&E and HP&P | March 2020 |
| | 5.17 | Create Volunteer Strategy and explore opportunities for funding with CVS to create Volunteer Coordinator post | HC&E & Dir | March 2020 |
| | 5.18 | Create a delivery plan for the next four years of University of Cumbria MoU focussing on engaging more students with the programme and developing more teaching opportunities. | HP&P and HC&E | March 2020 |
| Objective 6. | Continue to work with hard-to-reach groups within Carlisle and surrounding area | | By Who m | By When |
| | 6.1 | Increase the number of active volunteers by 10% by 2022. <ul style="list-style-type: none"> ○ Work with CVS to identify fundraising opportunities for Volunteer Coordinator post ○ Develop Volunteer Strategy ○ Embed use of the Volunteer Makers platform and use 'blended-volunteering' to broaden the range of volunteering opportunities available by end 20209 ○ Liaise with sector and diversity partners to diversify the range of people able to access volunteer opportunities, including CVS and Prism Arts by 2020 | HR&V A | December 2019 March 2020 |

| | | | | |
|---------------------|---|---|------------------|------------|
| | 6.2 | Develop community and arts engagement with underrepresented groups <ul style="list-style-type: none"> • Continue to work with vulnerable adults, with a target of 600 participation days annually • Be active participants in the Carlisle Dementia Action Alliance and assist Carlisle's aspiration to become a Dementia Friendly City • Projects will be developed with artists from diverse backgrounds | HC&E | Ongoing |
| Objective 7. | Strengthening our Hadrian's Wall offer | | By Who m | By When |
| | 7.1 | Promote and champion links with Hadrian's Wall Partnership through building visitor awareness via internal and external marketing and communications <ul style="list-style-type: none"> • Remain a key partner in the Hadrian's Wall Partnership • Ensure we maximize the impact of the UNESCO World Heritage brand • Develop British Museum links in the interpretation of the Roman Frontier Gallery | Dir, HP&D & HC&E | Ongoing |
| | 7.2 | As CMC Continue to invest time in cultural and tourism marketing partnerships including the Carlisle Cultural Consortium, Lake District China Forum, Japan Forum, Hadrian's Wall Country, Cumbria's Living Heritage and Borderlands. Play a leading role in cultural partnerships and projects that aim to embed culture into the county's tourism offer, and look to increase engagement with strategic bodies such the LEP and Britain's Energy Coast to ensure that they promote culture as central to the county's economic wellbeing Undertake an annual review to assess the productivity of Tullie House's partnership in the above organisations. | Dir. & HP&D | Ongoing |
| | 7.3 | Work with partners to further develop the China-UK Wall to Wall initiative between Hadrian's Wall and the Great Wall, including signing up to the Great China Welcome | Dir, HP&P & HC&E | Ongoing |
| Objective 8. | Develop international audiences from China or with communities interested in Chinese culture | | By Who m | By When |
| | 8.1 | Bring world class collections to Cumbria from China and see collections shared internationally | HP&P and HC&E | March 2020 |

| | | | | |
|--|-----|--|-------------------------------|------------|
| | 8.2 | <p>Work with local partners / initiatives to attract more international visitors from American and Far East Markets</p> <ul style="list-style-type: none"> • Develop guided tours in Mandarin by end 2019 • Work with Carlisle City Council on the England Originals aimed at the American market • Continue to attend Historic Quarter Meetings • | Dir, DD & HP&P. HC&E | March 2020 |
| | 8.3 | <p>Continue to develop the Chinese Engagement Programme in partnership with the Confucius Institute and as part of 5-year China Plan.</p> | HC&E | Ongoing |

Tullie House Museum and Art Gallery
Exhibition Programme 2020-2021 – Internal Document Only

Tattoos: British Tattoo Art Revealed
17 October 2020 – 17 January 2021 (Dates TBC)



Private Preview: TBC

It is estimated that about one in five of the UK population is tattooed and this figure rises to one in three for young adults. And yet, whilst the visibility of tattooing in contemporary culture may feel like something new, tattoos and tattoo art have always held a significant place in Britain's history and historical imagination.

Tattoo: British Tattoo Art Revealed offers a genuinely ground-breaking and comprehensive history of British tattooing, featuring cutting edge designers, leading academics and major private collectors to tell a story that challenges long-standing myths and pre-conceptions about tattooing when it comes to class, gender and age.

The exhibition showcases the work of major tattoo artists from the Victorians to the modern day and is the largest gathering of real objects and original tattoo artwork ever assembled in the United Kingdom. The exhibition features items from three of the most important private collections of tattoo material in Britain, belonging to Willie Robinson, Jimmy Skuse, and Paul 'Rambo' Ramsbottom, providing a rare opportunity to display original artwork and artefacts not otherwise on public display. The exhibition also delves into previously unseen private archives that reveal hidden histories, including the incredible real story of Britain's pioneering female tattoo artist, Jessie Knight.

Tattoo: British Tattoo Art Revealed is curated by the National Maritime Museum Cornwall, an independent Museum based in Falmouth.

New Light: 10 Year Anniversary Exhibition
30 January 2021 – 20 March 2021 (Dates TBC)



Private Preview: TBC

Following the success of the New Light: Real Northern Art Prize exhibition in 2018, we are again working with the charity New Light to deliver an even more impressive exhibition in their 10th anniversary year.

The showcase is one of the largest and acclaimed open exhibitions, highlighting contemporary artists who demonstrate exceptional application of practised skills, such as painting, drawing and print making; it is open to artists who were born, live or study art one of the historical counties of the North of England. A shortlist of 150 works have been selected to tour from Scarborough Art Gallery to Tullie House and then onto London later in 2021.

All works in the exhibition are available to buy and the exhibition will be complemented by a programme of events giving opportunities to meet the artists and discover more about their practice.

Driggsby, A Whale's Tale

2 April 2021 – 19 June 2021 (Dates TBC)

in partnership with Prism Arts



Private Preview: *VIP and Schools event, Thursday 1 April (TBC)*

An exciting new immersive, interactive and inspiring exhibition from the imagination of over 200 children from schools on Cumbria's west coast, telling the story of Driggsby the fin whale. Discover Driggsby's underwater world, meet the amazing creatures she shares the oceans with and follow her journey through dark tunnels, to the Mermaid's house, on to the North Pole and beyond.

Driggsby was a 12-metre-long, juvenile fin whale who washed up on Drigg beach and is now on display as part of the Tullie House collection. But how did she get here? Why did a young whale end up on a west Cumbrian beach?

Children from West Cumbria have worked with Prism Arts and Tullie House to explore life in our oceans, discover how Driggsby might have journeyed to Cumbria and learn why whales have been the inspiration for myths and legends. During this 18-month project, the children conducted beach cleans led by Workington Nature Partnership and saw for themselves how much rubbish can be found on our coastline. They left with a greater understanding and appreciation for the environment and are keen to spread the message that, in their own words, "The ocean is not a bin!"

Driggsby: A Whale's Tale is a partnership project between Tullie House Museum and Art Gallery and Prism Arts, funded by the National Lottery Heritage Fund.

Participating schools are: Ashfield Infant & Nursery School, Distington Community School, Holme St. Cuthbert School, Mayfield SEND School, Seascale Primary School and St Michael's Nursery & Infant School.



Audience Spectrum Segment Overviews

Up to date and in-depth information about each segment can found at:

<https://www.theaudienceagency.org/audience-spectrum/profiles>

Metroculturals

Prosperous, liberal urbanites, Metroculturals choose a city lifestyle for the broad cultural opportunity it affords. They are therefore interested in a very wide spectrum of activity, but many tend towards their own preferred artform or style. Although active museum attenders, more engage with the arts and many on a weekly basis. Working in demanding but rewarding professions, they are highly educated and have a wide variety of other interests from food and travel to current affairs and architecture.

Commuterland Culturebuffs

Affluent and settled with many working in higher managerial and professional occupations. Commuterland Culturebuffs are keen consumers of culture, with broad tastes but a leaning towards heritage and more classical offerings. Mature families or retirees, living largely in leafy provincial suburban or greenbelt comfort, they are willing to travel and pay for premium experiences, their habits perhaps influenced by commuting. Motivations are multiple, ranging from social and self-improvement, to the pursuit of learning opportunities for older children. They tend to be frequent attenders and potential donors.

Experience Seekers

An important and significant part of urban arts audiences, these highly active, diverse, social and ambitious singles and couples are younger people engaging with the arts on a regular basis. Students, recent graduates and in the early to mid-stages of their careers, they live close to city centres, have easy access to and attend a wide variety of arts, museums galleries and heritage. Interests cover mainstream, contemporary and culturally diverse offers and attending is at the heart of their social lives. They are mostly in search of new things to do and have disposable income to spend on a variety of leisure activities like sports/arts memberships and frequent visits to cafes, bars and restaurants. Digitally savvy, they will share experiences through social media on their smart phones.

Dormitory Dependables

A significant proportion of audiences are made up of this dependably regular if not frequently engaging group. Most live in suburban or small towns and show a preference for heritage activities, alongside popular and more traditional, mainstream arts. Many are thriving well off mature couples or busy older families; lifestage coupled with more limited access to an extensive cultural offer mean that culture is more an occasional treat or family outing than an integral part of their lifestyle.

Trips & Treats

While this group may not view arts and culture as a passion, they are reasonably active despite being particularly busy with a wide range of leisure interests. Comfortably off and living in the heart of suburbia their children range in ages, and include young people still living at home. With a strong preference for mainstream arts and popular culture like musicals and familiar drama, mixed in with days out to museums and heritage sites, this group are led by their children's interests and strongly influenced by friends and family.

Home & Heritage

Conservative in their tastes, this more mature group appreciates all things traditional: a large proportion are National Trust members, while classical music and amateur dramatics are comparatively popular. While this is not a highly engaged group - partly because they are largely to be found in rural areas and small towns - they do engage with the cultural activity available to them in their locality. They look for activities to match their needs and interests, such as accessible day-time activities or content exploring historical events.

Up Our Street

Living reasonably comfortable and stable lives, Up Our Street engage with popular arts and entertainment and museums, and are also visitors of heritage sites. Many are older and have some health issues, living on average or below average household incomes, so access in all its forms can be an issue. Modest in their habits and in their means, value for money and low-risk are important factors in leisure decision making.

Facebook Families

Arts and culture play a very small role in the lives of this younger, cash-strapped group living in suburban and semi-urban areas of high unemployment. They are the least likely to think themselves as arty, while less than a third believe that the arts is important. Nevertheless, they do go out as families: cinema, live music, eating out and pantomime.

Kaleidoscope Creativity

Characterised by low levels of cultural engagement despite living in and around city areas where plenty of opportunities are within easy reach. A great mix of people comprise this segment with a wide range of ages, living circumstances, resources and cultural backgrounds all living cheek-by-jowl. Low incomes and unemployment can present barriers to accessing some cultural provision. Nevertheless, two thirds do engage with more popular and accessible culture annually, some of this in the local community and outside the mainstream. Free, local events like outdoor arts, festivals and carnivals may appeal, and so might popular offerings like musicals and music events.

Heydays

Heydays are the group least likely to attend arts or cultural events, believing that the arts are no longer as important or relevant to them as perhaps they once were. Many live in sheltered or specially adapted accommodation for older people, and are excluded from many activities due to

a raft of health, access and resource barriers. If they do engage this is likely to be participatory such as craft and knitting, painting, reading and writing activities organised by their sheltered housing, church group or community library.

1. Lease and Occupational Arrangements

a) Tullie House Museum (THM)

Lease dated 27 March 2013 between Carlisle City Council (CCC) and Tullie House Museum & Art Gallery Trust (THT). Principal terms are as follows: -

Term: 30 years from 1 April 2011 (expires 31 March 2041)

Rent: Nil

Repairs (Main structure & major plant (inc. boilers, lifts, A/C & Air Handling units))¹: CCC

Repairs (Internal & minor plant)¹: THT

Decoration (internal and external): THT

Authorised Use: Museum, art gallery, restaurant bar, entertainment, room hire, wedding venue etc ²

Outgoings: THT pays utility costs etc (N.B. CCC pays the electricity costs and then recovers these from the THT)

Alterations: THT may carry out only non-structural alterations without CCC's consent

Alienation: THT generally prohibited from assigning / underletting etc but franchises and concessions are allowed.

Security of Tenure: None ³

Notes

¹ The liability of both parties is limited to a condition no better than that evidenced by a schedule of condition that was prepared around the time that the lease was granted.

² Any use has to be in accordance with the charitable aims of the THT

³ The THT has no automatic right to a new lease on expiry of the current one

b) Herbert Atkinson House (HAH)

No lease currently in place. THT occupy the building with the agreement of CCC but have no formal right of occupation. CCC's Executive did approve a report recommending the grant of a lease to the THT in 2014 on similar terms to the Tullie House lease. However, despite a draft lease being issued this was never completed and about 4 years ago CCC put the discussions on hold in order that an asset review could be undertaken.

Over recent years, despite there being no formal agreement between CCC & THT the parties have operated on the same lines as they do under the lease for the THM regarding the undertaking of repairs and payment of costs

2. Financial Implications / Commitments for Carlisle City Council

Tullie House Museum & Herbert Atkinson House

Annual Revenue Costs

Maintenance costs – c. £50,000 per annum has been incurred by the Council over the last five full 5 FYrs in connection with it's repairing obligations

Insurance – c.£96,000 per annum has been incurred by the Council over the last 2 full FYrs on a range of building and contents (inc the collection) insurance policies.

N.B – the 2018/19 total included an exceptional one-off cost of £4,377

Capital Costs

THM – c.£82,000 has been incurred by the Council on major works since FY 2017/18

HAH – c.£30,000 has been incurred by the Council on major works since FY 2015/16

The Council budgets approximately £20,000 per annum for the renewal and replacement of plant items.

3. Condition Surveys

The Council most recently commissioned independent in late 2017 conditions surveys for both THM and HAH. At the time these identified the following combined backlog and renewal costs for each building as follows:

Tullie House Museum - £1,989,000. However, 98% of this cost though was classed as priority 3 (Desirable) work which could be undertaken over the next 10 year period or so.

Notably, the survey identified some major works were identified for the period including 2023. These include (with indicative costs only) external cladding (£35,000), windows, (£25,000), calorifiers (£5,500). Most significant of all though is the replacement of no. 4 air handling units with an estimated cost of £230,000 each.

The Council Property Services team have considered this latter item and discussed it with an external supplier and are of the view that these costs could be phased over say the next ten years and that in reality renewal would take the form of component replacement. This item alone does however bring

into focus the potential costs that are likely to be incurred in keeping the building in good order going forward.

It should also be remembered that the THM is a grade 1 listed building of traditional construction and therefore it is always going to be relatively expensive to maintain.

Herbert Atkinson House – £70,400. 40.7% of this work was classed as priority 2 (Essential) and 55.6% as priority 3 (Desirable). None of the items here are as substantial as with the Tullie House Museum but again it is clear that this building will require ongoing expenditure particularly given it's age and that it is also a listed building (grade 2).

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 12 OCTOBER 2020

EX.121/20 TULLIE HOUSE BUSINESS PLAN 2020/21
(Key Decision – KD.24/20)
(Public and Press excluded by virtue of Paragraph 3)

(In accordance with Regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, The Mayor had agreed that the decision in relation to this item of business was urgent and could not reasonably be deferred)

Portfolio Culture, Heritage and Leisure

Relevant Scrutiny Panel Health and Wellbeing

Subject Matter

The Culture, Heritage and Leisure Portfolio Holder submitted private report CS.31/20, the purpose of which was to introduce and allow consideration of the Tullie House Museum and Art Gallery Trust 2020/21 Business Plan in order that the Council may, in due course, agree core funding for the Trust. That was in line with Section 5 of the Partnership Agreement between the Council and Tullie House Trust, which stated that the Business Plan submitted by the Trust should be used as the basis for agreeing future years funding.

Details of the background position; core grant; lease arrangements; building and collection financial implications; impact of COVID-19 and impact of the proposals put forward by Tullie House Trust were provided within the report.

The Executive was asked to give initial consideration to the Business Plan and refer that to the Health and Wellbeing Scrutiny Panel for their review and recommendations.

The Portfolio Holder emphasised the importance of considering the development of future options for the Council and the Tullie House Trust, as identified at Section 8 of the report, as part of the process. He added that the Trust had today received a Government grant which may impact upon their Business Plan.

The Culture, Heritage and Leisure Portfolio Holder concluded his presentation by moving the recommendation which was seconded by the Communities, Health and Wellbeing Portfolio Holder.

Summary of options rejected that the Business Plan should not be referred for scrutiny

DECISION

That the Executive had given initial consideration to the Tullie House Trust Business Plan (Report CS.31/20) and referred it to the Health and Wellbeing Scrutiny Panel on 19 November 2020 for their review and recommendations.

Reasons for Decision

The recommendations allowed the report, the associated Business Plan and core funding to be approved in line with the Partnership Agreement

EXCERPT FROM THE MINUTES OF THE HEALTH AND WELLBEING SCRUTINY PANEL HELD ON 19 NOVEMBER 2020

HWSP.71/20 TULLIE HOUSE BUSINESS PLAN (Public and Press excluded by virtue of Paragraph 3)

The Vice Chair welcomed Andrew Smith – Chairman, Andrew Mackay – Director and Board Member, Katie Proud – Head of Finance and Board Member and Anna Smalley – Head of Collections and Engagement, from Tullie House.

The Health and Wellbeing Manager presented private report CS.31/20, the purpose of which was to introduce and allow consideration of the Tullie House Museum and Art Gallery Trust 2020/21 Business Plan in order that the Council may, in due course, agree core funding for the Trust. That was in line with Section 5 of the Partnership Agreement between the Council and Tullie House Trust, which stated that the Business Plan submitted by the Trust should be used as the basis for agreeing future years funding.

Details of the background position; core grant; lease arrangements; building and collection financial implications; impact of COVID-19 and impact of the proposals put forward by Tullie House Trust were provided within the report.

The Executive had considered the matter on 12 October 2020 (EX.121/20 refers) and referred the report to the Panel for their review and recommendations.

Mr Smith, Chairman, informed the Panel that Tullie House had recently been awarded £494,800 as part of the Government's Culture Recovery Fund to help face the challenges of the coronavirus pandemic, this resulted in the proposals for core funding to remain almost as they had been in the previous year.

Mr Smith reminded the Panel of the commitment to Project Tullie and reported that reserves had been set aside to support the Project. Tullie House had been successful in attracting funding and this had supported the reserve and been invested into the new Costume Gallery. He set out the importance of the Project to both Tullie House and the Council and drew the Panel's attention to some maintenance issues within the building.

Mr Mackay, Director, updated the Panel on how Tullie House had responded to the Covid-19 pandemic, the impact to Tullie House income and detailed the exhibitions and community work that had been undertaken in the last twelve months.

Ms Smalley, Head of Collections and Engagement, detailed the Community and Wellbeing Programme for Tullie House.

The Panel acknowledged the outstanding exhibitions and community engagement that Tullie House undertook and congratulated them on securing exhibitions such as Turner and Rembrandt.

The Panel discussed Project Tullie and the capital investment and felt that any decision should be delayed until further consideration of the Business Case and potential impact on future revenue could be investigated further.

The Panel questioned Tullie House representatives on their commercial strategy, how they were addressing climate change issues and the timescales for Project Tullie and any capital investment.

The Leader commented that it was a very uncertain time for the Council, who were in a difficult financial situation, any capital investment and revenue savings had to be investigated thoroughly and taken through the correct decision making process. He added that he was keen to ensure a continuation of the good dialogue with Tullie House regarding Council support for their future plans.

The Deputy Chief Executive clarified the Council's role in the building and collection maintenance at Tullie House and assured the Panel that the preservation of the collection was a priority.

RESOLVED – 1) That the Panel had considered the funding proposals made by Tullie House Board, in the context of the information that they provided regarding challenges and opportunities set out in their Business Plan contained in report CS.35/20.

2) The Panel recommend to the Executive that they revisit the Business Case for investment in Project Tullie.

3) That Mr Smith, Mr Mackay and Ms Smalley be thanked for their presentations and for their detailed answers to the Panel's questions.

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 14 DECEMBER 2020

EX.158/20 **TULLIE HOUSE BUSINESS PLAN 2021/22

(Key Decision – KD.24/20)

(Public and Press excluded by virtue of Paragraph 3)

(In accordance with Paragraph 15(i) of the Overview and Scrutiny Procedure Rules, the Mayor had agreed that call-in procedures should not be applied to this item)

Portfolio Culture, Heritage and Leisure

Relevant Scrutiny Panel Health and Wellbeing

Subject Matter

Pursuant to Minute EX.121/20, the Culture, Heritage and Leisure Portfolio Holder submitted private report CS.37/20 providing an overview and analysis of the September 2020 update of the Tullie House Museum and Art Gallery Trust 2020-2025 Business Plan (Appendix 1).

Members were reminded that the purpose of this report was to allow consideration of the Business Plan in order that the Council may in due course agree core funding for the Trust. That was in line with Section 5 of the Partnership Agreement between the Council and Tullie House Trust (THT), which stated that the Business Plan submitted by the Trust to the City Council should be used as the basis agreeing future years funding.

The Culture, Heritage and Leisure Portfolio Holder highlighted the £494,800 award which Tullie house had received as part of the Government's Culture Recovery Fund and the impact to core funding. He provided an update on matters since the production of the report

The Health and Wellbeing Scrutiny Panel had scrutinised the matter on 19 November 2020, resolving that:

- 1) That the Panel had considered the funding proposals made by Tullie House Board, in the context of the information that they provided regarding challenges and opportunities set out in their Business Plan contained in report CS.35/20.
- 2) The Panel recommend to the Executive that they revisit the Business Case for investment in Project Tullie.
- 3) That Mr Smith, Mr Mackay and Ms Smalley be thanked for their presentations and for their detailed answers to the Panel's questions.

Minute Excerpt HWSP.71/20, setting out the Panel's observations on the matter, was also submitted.

The Culture, Leisure and Heritage Portfolio Holder concluded by moving the recommendation that future core grant allocations for 2021/22 to 2023/24 remain as built into the Council's Medium Term Financial Plan. The Communities, Health and Wellbeing Portfolio Holder seconded the recommendation.

Summary of options rejected other options on the level of core grant to be provided

DECISION

That the Executive:

1. Had reviewed the Tullie House Business Plan before making any recommendations to full Council for consideration.
2. Had considered the proposals made by the Tullie House Board for core funding from 2021/22 to 2023/24 as at page 42, point 6.3 of the Business Plan; and that future core grant allocations for 2021/22 to 2023/24 remain as built into the Council's current Medium Term Financial Plan.

Reasons for Decision

The recommendations allowed the report, the associated Business Plan and core funding to be approved in line with the Partnership Agreement

Council

**Agenda
Item:**

15

Meeting Date: 5th January 2021
 Portfolio: Finance, Governance & Resources
 Key Decision: Yes
 Policy and Budget Framework: Yes
 Public / Private: Public

Title: Statement of Licensing Policy 2021-2026
 Report of: Corporate Director of Governance and Regulatory Services
 Report Number: GD 03/21

Purpose / Summary:

There is a statutory requirement under Section 5(1) of the Licensing Act 2003 for the Council to review and re-publish its Statement of Licensing Policy every five years. The current Statement will expire on 6th January 2021. The Licensing Committee consulted on a draft policy from 10th September – 22nd October 2020 and approved a final draft of the policy at their meeting on 18th November 2020.

Recommendations:

That the City Council adopt the final draft of the Statement of Licensing Policy 2021-2026.

Tracking

| | |
|----------------------|---|
| Licensing Committee: | 9 th September 2020 & 18 th November 2020 |
| Scrutiny: | For information only |
| Council: | 5 th January 2021 |

1. BACKGROUND

- 1.1** There is a statutory requirement under the Licensing Act 2003 for the Council to review and re-publish its Statement of Licensing Policy every five years. The current Statement of Licensing Policy will expire on 6th January 2021.
- 1.2** Attached at Appendix 1 is the proposed draft Licensing Policy Statement 2021-2026 for members to consider.

2 CURRENT REVIEW

- 2.1** As detailed above, it is a statutory requirement to review and re-publish the Statement of Licensing Policy every 5 years.
- 2.2** Due to Covid-19 and work pressures associated with this, a full effective review of the Policy has been hindered with the current situation. In order to comply with statutory requirements the Licensing Committee agreed that the Council consult on the retention of the existing policy in the short term and a more detailed review will be undertaken, if necessary, within the next 5 year cycle.
- 2.3** This proposal is in line with advice given by the Institute of Licensing to Licensing Authorities.
- 2.4** There have been some legislative changes and since the publication of the policy in 2016 and these have been added, including:
- Privacy and Personal Data (p.8)
 - Immigration Act 2016 (p.9)
 - Personal Licence – Suspension and Revocation (p.13)

3 CONSULTATION

- 3.1** A 6 week public consultation was undertaken on the draft policy from 10th September – 22nd October 2020.
- 3.2** The consultation involved existing licence holders, the issuing of press releases, details on the Council's website and was also extensively publicised on the Council's Social Media throughout the consultation period.
- 3.3** No comments were received during the consultation.
- 3.4** No changes were therefore made to the draft statement and the Licensing Committee approved the final draft of the policy on 18th November 2021(**Appendix 1**).

4 RECOMMENDATIONS

- 4.1** That the City Council adopt the final draft of the Statement of Licensing Policy 2021-2026 to be published on 7th January 2021 as attached at Appendix 1.

Contact Officer: Nicola.edwards@carlisle.gov.uk **Ext:**

Appendices attached to report: **1. Draft Statement of Licensing Policy 2021-2026**

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

- None

CORPORATE IMPLICATIONS:

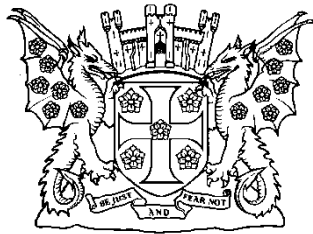
LEGAL – Contained within the report. The statement of Licensing Policy is part of the Council's policy framework. Consequently, the draft is open to consultation, as detailed within the report, before being reconsidered and recommended to Council.

FINANCE – The financial implications of adopting this policy can be accommodated from within existing base budgets.

EQUALITY – None

INFORMATION GOVERNANCE – There are no information governance implications with this report.

CARLISLE CITY COUNCIL



Licensing Act 2003

Statement of Licensing Policy

For the period 2021-2026

English

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1. Introduction

- 1.1 Welcome to Carlisle City Council's Statement of Licensing Policy. It will apply for a maximum of five years. The policy will be kept under review and may be revised in light of experience or revisions to guidance issued under section 182 of the Licensing Act 2003.
- 1.2 Carlisle is the largest city in England by area with a population of over 100,000. The city is at the northern extreme of the North West of England only 10 miles from the border with Scotland and is the urban capital of the county of Cumbria.
- 1.3 Carlisle dominates a huge area of geography with its nearest city neighbours being Newcastle 58 miles to the East, Glasgow 96 miles to the North, Lancaster 68 miles to the South with the Irish Sea to the West. Carlisle is easy to get to and the perfect Centre to explore further afield, with the Lake District right on its doorstep.
- 1.4 Carlisle has a thriving daytime, evening and night-time economy and is the base for many culture and leisure activities. There are approximately 2,500 businesses and people associated with the Licensing Act provisions. Licences include supermarkets, restaurants, public houses, off-licences, nightclubs and takeaway outlets. These are based in venues ranging from village halls and small public houses in the rural area to community centres and nightspots in the city centre.
- 1.5 The Licensing Act 2003 requires Carlisle City Council as the Licensing Authority, to prepare and publish a statement of Licensing Policy. The policy sets out principles that the Council generally applies to promote the licensing objectives when making decisions on applications made under this act. An extensive consultation exercise was held before the policy was published.
- 1.6 The Council is committed to developing Carlisle's regional status and appreciates the importance leisure businesses have for the local economy. The Council's policies and priorities aim to reflect the needs and aspirations of existing and new local businesses. The thriving food, drink and entertainment businesses in the area are an important part of the local economy and this policy is critical to their continuing success and for attracting further investment and opportunity to the area. Balanced against this are the Council's legal duties with regard to public safety, nuisance and commitment with its partners to reducing crime and fear of crime.
- 1.7 It is also important to protect and maintain our environment so that residents, visitors and other businesses can enjoy the opportunities for living, visiting and working within the area safely and free from nuisance. The Council

values its younger people and is active in ensuring they are offered a wide range of opportunities and experiences to develop while seeking to protect them from harm.

- 1.8 Guidance such as the Licensing Policy aims to advise businesses and individuals on how they can develop, as well as clarifying the national licensing legislation.
- 1.9 If you require further information on the Licensing Policy please contact our Licensing Section.

2 Purpose of Policy

- 2.1 Section 5 of the Licensing Act 2003 requires a Licensing Authority to prepare and publish a statement of this licensing policy every five years. Such a policy must be published before the authority carries out any function in respect of individual applications made under the terms of the Act. This is the fourth review our Licensing Policy and following a public consultation Carlisle City Council resolved to approve the revised policy on 5 January 2021 to be effective from 7 January 2021 for the next five years.
- 2.2 This policy statement has amongst other things, four main purposes:
 - 1. To provide Members of the Licensing Committee with a decision making framework. The policy will be taken into account at any hearing following representations.
 - 2. To inform applicants of the parameters within which the Authority are able to make licensing decisions and allow them to take this into account when making applications.
 - 3. To provide guidance to local residents and businesses of the boundaries within which the Licensing Authority will make licensing decisions. This will assist those parties when making representations in relation to various applications.
 - 4. To support the Licensing Authority if it has to demonstrate in a court of law how it arrived at its licensing decisions.
- 2.3 The policy will be kept under review and the Licensing Authority will if necessary, after appropriate consultations, make such revisions to it as may be considered appropriate. Any amendments will be incorporated in the licensing statement after each review.

3. Scope of this policy

- 3.1 The Council as the Licensing Authority is responsible for authorising licensable activities, the issue of personal licenses and other matters set out in the Act within this district. This policy relates to all those licensable activities identified as falling within the provisions of the Act, namely:

- Retail sale of alcohol
 - Supply of alcohol by or on behalf of club members
 - Provision of regulated entertainment under certain circumstances i.e. entertainment (unless exempted by the Act) which is provided for the public, club members or for consideration with a view to profit.
 - Supply of late night refreshment being supply of hot food and/or hot drink from any premises (subject to any statutory exemption) including food stalls, between 23:00 hours and 05:00 hours.
- 3.2 In addition to the above the Act also makes the provision of licensing individuals to sell alcohol (personal licences); the permitting of certain licensable activities on a temporary basis (temporary event notice); and provisional statements.
- 3.3 A minority of consumers will behave badly and unlawfully once away from premises, and it would be unreasonable to expect licence holders to have control over these individual people.
- 3.4 The Licensing Authority recognises that the Act is not a cure-all for all anti-social behaviour. There is a breadth of other strategies for addressing these problems, for example:
- Planning controls
 - Powers of local authorities to designate parts of the local authority areas as places where alcohol may not be consumed publicly
 - Powers of Police and Local Authorities under nuisance and anti-social behaviour legislation
 - Police enforcement of the general law concerning disorder and anti-social behaviour, including the issuing of fixed penalty notices
 - The prosecution of any personal licence holder or member of staff selling alcohol to people who are drunk
 - Confiscation of alcohol from adults and children in areas protected by Public Space Protection Orders and dispersal powers
 - Police powers to close down instantly for up to 24 hours any licensed premises or temporary event on grounds of disorder, the likelihood of disorder or excessive noise emanating from the premises.
 - The power of the Police, other responsible authorities or other person to seek a review of the licence or certificate
 - Promotion of positive activities.

4. General matters

- 4.1 All references to the “the Act” in this document shall be deemed to mean “Licensing Act 2003” unless otherwise stipulated.

- 4.2 Carlisle City Council is the Licensing Authority for this district under the terms of the Act who are responsible for determining all applications for licensable activities, as defined in Section 1 of the Act.
- 4.3 The Licensing Authority recognises that it works with services who act as 'Responsible Authorities' i.e. Environmental Health, Planning, Police, and the County Council's Director of Public Health. These Responsible Authorities are able to make representations on any licence application submitted under the terms of the Act. The Licensing Authority will treat these submissions with the same consideration as any other representations having regard to the terms of the Section 182 Statutory Guidance. Cumbria County Council's Safeguarding and Review team is the responsible authority in relating to the protection of children from harm.
- 4.4 The Act requires the Licensing Authority to keep a register containing a record of each premises licence, club premises certificate, personal licence issued and temporary event notice received and in doing so this will have regard to the information set out in Schedule 3 of the Act.
- 4.5 To comply with this requirement our register may be accessed on line by using the following link
http://www.carlisle.gov.uk/business/licensing/public_registers.aspx

Disclaimer

- 4.6 Advice and guidance contained in the Statement of Licensing Policy is intended only to assist readers and should not be interpreted as legal advice or as constituent of Carlisle City Council's Statement of Licensing Policy. Readers are strongly advised to seek their own legal advice if they are unsure of the requirements of the Licensing Act 2003 or of the Guidance or Regulations issued under the Act.

Consultation

- 4.7 There are a number of groups which have a stake in the leisure industry, including providers, customers, residents and enforcers, all of which have views and concerns that require consideration as part of the licensing function and promotion of the licensing objectives.
- 4.8 In developing this policy statement, the Licensing Authority consulted widely. Along with the statutory consultees (the Responsible Authorities), the views of existing license holders, businesses, voluntary groups and residents were also taken into account. Due consideration was given to the views of all those who responded to that consultation process.

Links to other Strategies

- 4.9 In preparing this Statement of Licensing Policy, the Licensing Authority has had regard to and consulted with those involved in Carlisle City Council's local strategies on crime prevention, planning transport, culture, tourism, community,

eGovernment and economic development, to ensure the proper co-ordination and integration of the aims and actions of these policies. Review and amending of these strategies will be considered for their impact upon this Statement of Licensing Policy.

- 4.10 Where appropriate, the licensing authority will co-ordinate and liaise with the planning authority and will provide information regarding licensed premises in the area, including evidenced alcohol related crime and disorder information where available, to enable Planning Committee to have regard to such matters when making decisions.

Planning and Building Control

- 4.11 The Licensing Authority will ensure that planning, building control and licensing regimes will be separated to avoid duplication and inefficiency.
- 4.12 The licensing authority would normally expect that applications for premises licenses for permanent commercial premises should normally be from businesses with planning consent for the property concerned. However, the licensing authority acknowledges that applications for premises licences or club premises certificates may be made prior to any relevant planning permission having being sought or granted by the planning authority. Applicants would be expected to ensure that all relevant permissions are obtained.
- 4.13 The licensing authority recognises that licensing applications should not be a re-run of planning applications nor should they cut across decisions taken by planning committee or following appeals against decisions taken by the Council's planning committee. The licensing authority's licensing committee will not be bound by decisions made by the Council's planning committee and vice versa.
- 4.14 Where the granting of any variation to a premises licence or club premises certificate involves a material alteration to a premises, the licensing authority would expect the applicant to apply for relevant planning permission or building control consent where appropriate.
- 4.15 The Licensing Authority recognises that when, as a condition of planning permission a terminal hour has been set for the use of the premises for commercial purposes, and where these hours are different from the licensing hours, the applicant must observe the earlier closing time. Premises operating in breach of their planning permission would be liable to prosecution under planning law.

Special Events in the Open Air or in Temporary Structures

- 4.16 The promotion and the organisation of live musical and similar entertainment in the open air or in temporary structures like marquees etc. can provide opportunities for community involvement, civic pride and can attract visitors to the district.

- 4.17 However, the success of such events by the way of contribution to the Council's cultural and tourist strategies depends upon the quality, levels of safety and consideration for the rights of people who work in the vicinity and the standard of provision of facilities for those coming to enjoy the event.
- 4.18 In recognition of the special factors that are relevant, particularly with respect to major open air events such as pop festivals or other large events, the Council has established a multi-agency forum to assist organisers in co-ordinating such events. This includes council departments who have an interest in or legislative role relevant to such events, together with representatives of the various emergency services.
- 4.19 Members of the forum are notified about all proposals to hold such events and where necessary special meetings will be organised in order to consider any communication with organisers.
- 4.20 A useful document which organisers are recommended to obtain is 'The Event Safety Guide' (known as the purple guide), published by the Health and Safety Executive. This is currently being revised and organisers are advised to check online for the latest version (www.thepurpleguide.co.uk)
- 4.21 Guidance on the planning of such events is available to organisers but it is important that substantial notice is given so that proper preparations and precautions can be put in place for the event. This also applies if the event is proposed under a Temporary Event Notice.

Community Applicants

- 4.22 Whilst this policy is aimed at all licensable activities under the Act it should be noted that the Council sees a distinction between large or permanent activities, such as those proposed by commercial operations and small or temporary activities such as those which might be proposed by cultural or community groups.
- 4.23 Where events are proposed by cultural or community groups, it is recognised that those groups may not have the same skill or the expertise or access to professional advice. Such groups may seek assistance and guidance from the Council by contacting the Licensing Section.
- 4.24 Whatever the nature of the applicant and activity proposed, the overriding matter is that the Council will consider the individual merits of the application and act as to promote the licensing objectives

Privacy and Personal Data

- 4.25 In line with General Data Protection Regulation and Data Protection Act 2018, the Council and are Data Controllers of the information provided as part of licence applications. The Council have a statutory duty to process and maintain licences and permissions and conduct enforcement activities in accordance with the Licensing Act 2003 as part of a legal obligation to meet

the statutory requirements for the licensing of the sale of alcohol, regulated entertainment and late-night refreshment.

- 4.26 The Council may share the following information with the third parties listed below: details of the licensed premises, licence status, the names, addresses and company numbers of persons and companies named on a licence. This may be shared with services in the Council, for example, Development Control, Environmental Health and Community Safety.
- 4.27 In addition we will share with external third party organisations including Government departments, Cumbria Police, Information Commissioners Office (for National Fraud Initiative), the Health and Safety Executive, Cumbria Fire and Rescue Service to make further enquiries regarding your application under the Licensing Act 2003 or where required by law for the detection and prevention of crime.
- 4.28 The personal information provided as part of an application for a premises licence, club premises certificate or personal licence will be held for a period of 2 years following the surrender, lapsing or expiry of the licence/permit. The personal information held for Temporary Event Notices will be held for a period of 2 calendar years following the event. Details of all transactions are recorded permanently as an entry on the licensing register.
- 4.29 The Council's Regulatory Services privacy notice, which includes details of the authority's Data Protection Officer and your information rights is available at:
- <https://www.carlisle.gov.uk/Privacy-Statement/Regulatory-Services-PrivacyStatement>

Immigration Act 2016

- 4.30 The Immigration Act 2016 made a number of amendments to the Licensing Act 2003 to introduce immigration safeguards in respect of licensing applications made in England and Wales on or after 6 April 2017. The intention of these changes is to prevent illegal working in premises licensed for the sale of alcohol or late-night refreshment.
- 4.31 The statutory prevention of crime and disorder licensing objective in the Licensing Act 2003 includes the prevention of immigration crime and the prevention of illegal working in licensed premises. The Council will work with the Home Office (Immigration Enforcement) as well as the police, in respect of these matters.
- 4.32 Section 36 of and Schedule 4 to the Immigration Act 2016 (the 2016 Act) amended the 2003 Act to provide that in England and Wales:
- Premises licences to sell alcohol or provide late night refreshment and personal licences cannot be issued to an individual who does not have permission to be in the UK, or is not entitled to undertake work relating to the carrying on of a licensable activity;
 - Licences issued to those with limited permission to be in the UK will lapse when their permission to be in the UK and work in a licensable activity comes to an end;

- Immigration offences, including civil penalties, are ‘relevant offences’ as defined by the 2003 Act;
- 4.33 The Home Secretary (in practice Home Office (Immigration Enforcement)) was added to the list of responsible authorities in the licensing regime, which requires Home Office (Immigration Enforcement) to receive premises licence applications (except regulated entertainment only licences) and applications to transfer premises licences, and in some limited circumstances personal licence applications. The Home Office (Immigration Enforcement) is permitted to make appropriate representations and objections to the grant of a licence.
- 4.34 The Licensing Authority will have regard to any guidance issued by the Home Office in relation to the immigration related provisions now contained in the Licensing Act 2003.
- 4.35 The Licensing Authority will also work in partnership with the Home Office (Immigration Enforcement) and Cumbria Police with a view to preventing illegal working in premises licensed for the sale of alcohol or late night refreshment.

Licensing Objectives

- 5.1 The Act sets out four licensing objectives which the Licensing Authority has a duty to promote when carrying out its licensing function, namely:
- The Prevention of Crime and Disorder
 - Public Safety
 - The Prevention of Public Nuisance
 - The Protection of Children from Harm
- 5.2 These objectives are the only factors that can be taken into account in determining an application and any conditions attached to the licence must be necessary to promote the licensing objectives. If there are no relevant representations, then an application must be granted and subject only to mandatory conditions and conditions consistent with the applicants operating schedule. Any conditions offered by the applicant within their operating schedule will become conditions on the licence.
- 5.3 Where it is appropriate to promote these licensing objectives, the licensing authority and responsible authorities will expect the applicant to offer controls by way of conditions. Examples of possible conditions are detailed below.
- 5.4 **Prevention of Crime and Disorder:**
- The use of toughened glass/polycarbonate or other plastic/non glass bottles/receptacles
 - Measures to prevent open bottles or other drinks containers being carried from premises

- Restriction of drinks promotions and responsible retailing
- Means of providing free water
- Marketing promotions do not encourage excessive consumption and should be socially responsible
- Measures to prevent binge drinking
- Participation in pub/club watch schemes and attendance at meetings
- Use of appropriate numbers of security personal and stewards ensuring effective controls at all times. Training staff in crime prevention measures
- Search procedures
- Use of CCTV inside and outside premises, ensuring digital systems comply with Home Office minimum requirements
- Adequate lighting
- Design premises to minimise the opportunity for crime and disorder
- Quality supervision and surveillance in premises
- Regular checks by staff of all public areas including toilets
- Assessment of customer profile ensuring the effective management of customers both inside premises and in outside smoking/external seating areas
- Anti-discriminatory policies and practice covering e.g. homophobia and racism
- Provision of a means of communication to other venues and the Police

5.5 Public Safety:

- Promotion of responsible drinking
- Awareness of drink spiking
- Zero tolerance drug policies including the appropriate use of searching/amnesty boxes to combat drug crime
- Assessment of the safe capacity for the venue and adequate monitoring and control measures to avoid overcrowding
- Regular removal of all glasses and bottles
- Specific precautions for the use of special affects
- Adequate provision for ventilation/temperature control
- Assessment, monitoring and management of noise exposure
- Assessment for crowd dynamics
- Safety of gas and electrical services
- Fire safety and emergency lighting
- Easy accessible free drinking water

5.6 Prevention of Public Nuisance:

- Assessment of the likelihood of nuisance affecting local communities through an assessment of the location of premises, character of the surrounding area and the proximity to residential and other sensitive premises. Nuisance could be from noise, odour or light
- Latest admission times

- Measures for the limitation of noise emissions from the premises. These may include as appropriate noise limitation devices, sound insulation, whether windows are to be opened, the installation of acoustic lobbies and double glazing
- Measures to dealing with queuing, where necessary
- Use and management of outdoor areas
- Measures to deal with dispersal of customers from the premises as necessary, including the employment of door supervisors, use of dedicated cab firms, notices in the premises requesting customers to respect neighbours
- Winding down periods particularly in public houses and nightclubs etc.
- Disposal of waste, particularly glass
- Use and maintenance of plant, including air extraction and ventilation systems
- Litter collection in vicinity
- Consideration of an adequate traffic management plan
- Noise from deliveries/collections
- Odour and light nuisance
- Measures to supervise customers use of beer gardens, smoking and external seating areas

5.7 Protection of Children from Harm:

- Limitation of access dependant on nature of activities
- Use of British Board of Film Classification for film exhibition
- Robust proof of age provisions to include preventions of fewer than 18s entering the premises where appropriate and the requirement for anyone looking under 18 to provide proof of age in the form of a photo driving licence, passport or accredited photo ID card bearing the PASS hologram. PASS is the UK's national guarantee scheme for proof-of-age cards.
- Adoption of the Challenge 21/25 policy
- Adequate staff training on age restricted sales
- Adequate warning signage
- Measures to avoid proxy sales
- Control measures to protect child performances
- Records of refusals (refusal log)
- Suitable design and layout of alcohol display

5.8 It is recognised that the licensing function is only one means of securing the delivery of the licensing objectives and should not therefore be seen as a cure-all for solving all problems within the community. The Licensing Authority will therefore continue to work in partnership with its neighbouring authorities, the responsible Authorities, the Health Authority , local businesses and local people towards the promotion of objectives as outlined.

Designated Premises Supervisors (DPS)

- 5.9 The main purpose of the 'designated premises supervisor' is to ensure that there is always one specified individual who can be readily identified for the premises where a premises licence is in force. The Licensing Authority will normally expect the DPS to have an active role in the day to day operation of the licensed premises, in particular the sale and supply of alcohol. A DPS does not have to be on site all the time, but should authorise individuals to supervise the day to day management of the premises in his absence.
- 5.10 A DPS should have sufficient experience and knowledge appropriate for the operation under their control. A DPS should be able to control the activities on site and respond quickly and efficiently to problems.
- 5.11 A DPS should be able to demonstrate that they:
- Have sufficient knowledge and experience appropriate to the premises that they intend to control
 - Are able to respond to problems quickly and to meet with responsible authorities, local residents and ensure adequate direct management of individual premises in a timely manner.
- 5.12 Following a Police representation the Licensing Authority may refuse an application or remove a DPS where:
- A problem premises exists and the DPS is not capable of fulfilling the duties and expectations of a DPS
 - A proposed DPS cannot demonstrate their suitability for the licensed premises

6. Personal licences

- 6.1 Every supply of alcohol under the premises licence must be made or authorised by a person who holds a Personal Licence. The Act does not require the presence of Personal Licence holder at all material times but if any sales are made when a Personal Licence holder is not present, then they must have been authorised by somebody who holds a Personal Licence. Regardless of whether a Personal Licence holder is present or not he will not be able to escape responsibility for the action of those he authorises to make such sales.
- 6.2 The Council recommends that authorisations for the sale of alcohol be made in writing to ensure that those authorised are clear on their legal responsibilities. Any premises which alcohol is sold or supplied may employ one or more Personal Licence holders. This paragraph should be read in conjunction with paragraphs 5.9 to 5.12 above, which state the role of the Designated Premises Supervisor.
- 6.3 The Council recognises it has no discretion regarding the granting of Personal Licences where:

- The applicant is 18 years or over;
 - The applicant is permitted to work in the UK
 - Possesses a licensing qualification;
 - Has not had a licence forfeited in the last five years; and
 - Has not been convicted of a relevant offence, a foreign offence or has been required to pay an immigration penalty after 6th April 2017.
- 6.4 An application for a Personal Licence to sell alcohol must be made on the form specified in government guidance or regulations. The application form must be accompanied by the requisite fee. The applicant should also be able to produce evidence of the relevant qualifications.
- 6.5 From 1 April 2015 it is no longer necessary to renew a Personal Licence. Section 115 of the Licensing Act 2003 has been amended by section 69 of the Deregulation Act 2015, removing the requirement to renew personal licences. All new licences issued after this date will be issued for an 'indefinite period'
- 6.6 From April 2017 the applicant must provide evidence of right to work in the UK. Where an applicant's immigration permission to live and work in the UK is time limited, a licence may still be granted, but will become invalid when the immigration permission expires.
- 6.7 Applicants should produce a basic disclosure issued by the Disclosure and Barring Service along with the application form. The certificate must be recent (less than 30 days old). Applicants are also expected to make a clear statement as to whether or not they have been convicted outside England and Wales of a relevant offence or similar offence.
- 6.8 The Police or Home Office (Immigration Enforcement) may object to the grant of a personal licence to an individual. Such an objection can only be made where the applicant has been convicted of a relevant offence or any foreign offence or has received a civil penalty after April 2017 and the police or Home Office consider that the grant of a licence would undermine the crime prevention objective. If an objection is lodged a hearing must be held.
- 6.9 The Council will, at such a hearing, consider carefully whether the grant of the licence will compromise the promotion of the crime prevention objective. It will consider the seriousness and relevance of the convictions(s), the period that has elapsed since the offence(s) were committed and any mitigating circumstances. The Council will normally refuse the application unless there are exceptional and compelling circumstances which justify granting it.

Suspension and revocation

- 6.10 Section 138 of the Policing and Crime Act 2017 amended the Licensing Act 2003 and gave the power to a Licensing Authority to suspend or revoke personal licences that it has issued with effect from 6 April 2017.

- 6.11 When a Licensing Authority has granted a personal licence and becomes aware that the licence holder has been convicted of a relevant offence or foreign offence or been required to pay an immigration penalty, a licensing authority may revoke the licence or suspend it for a period of up to six months. This applies to convictions received and civil immigration penalties which a person has been required to pay at any time before or after the licence was granted, as long as the conviction was received after 6 April 2017, or the requirement to pay the civil penalty arose after 6 April 2017. Prior to 6 April 2017 only magistrates' courts can order the forfeiture or suspension of a personal licence for convictions.
- 6.12 The process which must be undertaken by the Licensing Authority to suspend or revoke a personal licence is set out at section 132A of the 2003 Act. The decision to revoke or suspend a personal licence must be made by the licensing committee or sub-committee.
- 6.13 The Licensing Authority may not take action if the licence holder has appealed against the conviction or the sentence imposed in relation to the offence, until the appeal is disposed of. Where an appeal is not lodged, the Licensing Authority may not take action until the time limit for making an appeal has expired.
- 6.14 If a Licensing Authority is considering revoking or suspending a personal licence, the authority must give notice to the licence holder. This notice must invite the holder to make representations about the conviction, any decision of a court in relation to the licence, or any decision
- 6.15 The licence holder must be given 28 days to make their representation, beginning on the day the notice was issued. Before deciding whether to revoke or suspend the licence the licensing authority must consider any representations made by the licence holder, any decisions made by the court or appellate court in respect of the personal licence of which the licensing authority is aware, and any other information which the licensing authority considers relevant.
- 6.16 The Licensing Authority may not be aware of whether the court considered whether to revoke or suspend the licence, and there is no obligation on the Licensing Authority to find this out before making a decision themselves. Where the court has considered the personal licence and decided not to take action, this does not prevent the Licensing Authority from deciding to take action itself. Licensing Authorities have different aims to courts in that they must fulfil their statutory duty to promote the licensing objectives, and therefore it is appropriate for the licensing authority to come to its own decision regarding the licence.
- 6.17 If the Licensing Authority, having considered a suspension and revocation and subsequently considered all the information made available to it, proposes not to revoke the licence it must give notice to the chief officer of police in the Licensing Authority's area, and invite the chief officer to make representations

about whether the licence should be suspended or revoked, having regard to the prevention of crime. The chief officer may make representations within the period of 14 days from the day they receive the notice from the licensing authority.

- 6.18 Any representations made by the chief officer of police must be taken into account by the Licensing Authority in deciding whether to suspend or revoke the licence.
- 6.19 Convictions may come to light via police in another area, for example if the personal licence holder no longer lives in the area of the Licensing Authority which issued the licence, or if the offence took place in another police force area. In this instance it would be good practice for the police providing the information to notify the police force in the Licensing Authority area, because it is the local chief officer who must provide representations if the Licensing Authority proposes not to revoke the licence.
- 6.20 Where the licence holder is convicted of immigration offences or has been required to pay a civil penalty for immigration matters, the Licensing Authority should notify Home Office Immigration Enforcement and allow representations to be made in the same way.
- 6.21 In deciding whether to suspend or revoke a personal licence, the Licensing Authority will have regard to all of the circumstances including the following:
- The need to assess each case on its merits
 - The duty to promote the licensing objectives
 - The guidance issued by the Secretary of State under section 182 of the Licensing Act 2003
 - The seriousness of the relevant offence
 - The sentence or penalty imposed on the licence holder for the relevant offence
 - Any representations made by the Police or Home Office Immigration Enforcement
 - Any representations made by the holder of the licence
 - Any evidence as to the previous character of the holder of the licence.
- 6.22 The Licensing Authority must notify the licence holder and the chief officer of police of the decision made (even if the police did not make representations). The licence holder may appeal the Licensing Authority's decision to revoke or suspend their personal licence. A decision to revoke or suspend the licence does not take effect until the end of the period allowed for appealing the decision (21 days); or if the decision is appealed against, until the appeal is disposed of.
- 6.23 If the personal licence holder is a DPS, the licensing authority may notify the premises licence holder once the decision to revoke or suspend the licence has been made if it becomes necessary to do so in order for the Licensing Authority to be able to carry out their functions.

- 6.24 The Licensing Authority may also notify any person who has declared an interest in the premises under section 178 of the 2003 Act if it becomes necessary to do so in order for the licensing authority to be able to carry out their functions.

7. Applications for Premises Licence

- 7.1 When considering applications, the Licensing Authority will have regard to:
- The Licensing Act and licensing objectives
 - Government guidance issued under Section 182 of the Licensing Act 2003
 - Any supporting regulations
 - This statement of Licensing Policy
- 7.2 This does not, however, undermine the rights of any person to apply under the 2003 Act for a variety of permissions and have the application considered on its individual merits, nor does it override the right of any person to make representations on any application to seek a review of a licence or certificate where they are permitted to do so under the 2003 Act.
- 7.3 The Licensing Authority recognises that, in some circumstances, longer licensing hours for the sale of alcohol may help to avoid concentrations of customers leaving premises simultaneously and reduce the potential for disorder. It also recognises that overly restrictive hours may inhibit the development of the night time economies that are important for investment, employment and tourism.
- 7.4 When determining applications by the Licensing committee, the Licensing Authority will seek to balance those factors against its duty to promote the four licensing objectives and the rights of residents to peace and quiet.
- 7.5 This policy is not intended to duplicate existing legislation and other regulatory regimes that place duties on employers and operators e.g. Health and Safety at Work etc. Act 1974, Environmental Protection Act 1990, Equality Act 2010, Building Regulations and the Regulatory Reform (Fire Safety) Order 2005. The Licensing Authority will therefore only impose conditions which are appropriate in promoting licensing objectives.
- 7.6 When one part of Carlisle City Council seeks a premises licence from the Licensing Authority, the Licensing Committee and its officers will consider the matter from an entirely neutral standpoint. If relevant representations are made, for example, by local residents or the police, they will be considered fairly by the committee. Those making representations, genuinely aggrieved by a positive decision in favour of a local authority application by the Licensing Authority are entitled to appeal the Magistrates' Court and thereby receive an independent review of any decision made.

- 7.7 In all cases, applicants and those making representations in respect of applications to the Licensing Authority have a right of appeal to the Magistrates' Court against the decision of the Licensing Authority.
- 7.8 It should be noted that incomplete applications will not be accepted but returned with an explanation of why it is incomplete.
- 7.9 The Licensing Authority welcomes applications made via Carlisle City Council's electronic application facility.

Community Halls

- 7.10 The Legislative Reform (Supervision of Alcohol Sales in Church and Village Halls etc.) Order 2009 amends the Act to allow management committees of community premises to make an application for a premises licence or to vary an existing premises licence which includes an application to remove the requirement of a designated premises supervisor and the authorisation of the sale of alcohol by a personal licence holder.

New and Varied Premises Licences/Club Premises Certificates

- 7.11 Where no premises licence or club premises certificate exists in respect of a premises, an application for a new premises licence or club premises certificate must be made to enable the carrying out of licensable activities.
- 7.12 An application to vary an existing premises licence or club premises certificate should be made where the proposed variation is in respect of changes to the types of licensable activities that are to be undertaken and/or the hours that those activities are to take place, or where structural changes are made to the premises.
- 7.13 Where the proposed variation to a premises licence or club premises certificate is in respect of structural alterations, the application must always be accompanied by a plan of the proposed alterations in addition to the existing premises licence or club premises certificate and the plan of which it relates.
- 7.14 Where a premises licence holder or club premises wishes to amend a premises licence or club premises certificate, the licensing authority will allow for an application to vary to be made rather than requiring an application for a new premises licence or certificate. The process the applicant will undertake will depend on the nature of the variation and its potential impact on the licensing objectives. The variation process will include:
- Change of name and address of a person named in the licence;
 - Variation of the licence to specify a new individual as designated premises supervisor;
 - Request to be removed as designated premises supervisor;
 - Request of community premises to display the mandatory condition concerning the supervision of alcohol sales by a personal licence holder

and the need for a designated premises supervisor who holds a personal licence;

- An application for minor variation of a premises licence or club premises certificate.

7.15 In addition, when completing section 3 of the application, it is important applicants ensure they provide sufficient time for the alterations to be carried out when stating the date upon which the variation is to take effect. This is to ensure that when the premises licence or club premises certificate comes into force, the plan to which it relates reflects accurately the layout of the building.

7.16 If the actual date when the alterations have been completed differs from that requested, applicants must inform the licensing authority so that the premises licence or club premises certificate can be issued correctly. Failure to do so may result in an offence being committed under Section 136 of the Licensing Act 2003 of carrying on a licensable activity otherwise than under and in accordance with an authorisation.

Minor Variations

7.17 In August 2009, the Government introduced a streamlined process for applicants to make minor variations to their premises licences and club premises certificates where the change is considered to have 'no adverse impact' on the promotion of any of the four licensing objectives.

7.18 Minor variations **can be** used to:

- Make minor changes to the structure or layout of a premises
- Make small adjustments to the licensing hours
- Remove out of date, or unenforceable conditions
- Add or remove certain licensable activities
- Add volunteered conditions to a premises licence or club premises certificate

7.19 Examples of where the new minor variation process **cannot be** used to:

- Extend the period for which the licence or certificate has effect
- Specify, in a premises licence, an individual as the premises supervisor
- Add the sale by retail or supply of alcohol as an activity authorised by a licence or certificate
- Authorise the sale by retail or supply of alcohol at any time between 23:00 hours and 07:00 hours
- Authorise an increase in the amount of time on any day during which alcohol may be sold by retail or supplied
- Vary a licence for community premises so as to apply the condition that every supply of alcohol under that licence must be made or authorised by the management committee
- Substantially vary the premises to which the licence or club premises certificate relates

- 7.20 On receipt of a minor variation application, the Licensing Authority will consider the appropriate and consult the relevant responsible authorities as it considers appropriate. In deciding on the application the Licensing Authority will consider any relevant representations received within the statutory time limit (ten working days from the day after the application was received by the Licensing Authority). The Licensing Authority will either grant the application or refuse it where it considers that the proposed application could impact adversely on any of the four licensing objectives.
- 7.21 If the Licensing Authority fails to determine the application within 15 working days, the application will be treated as being refused and the fee returned. However in such cases the Licensing Authority and applicant may agree instead that the undetermined application should be treated as a new minor variation application and that the fee originally submitted may be treated as a fee for the new application thus avoiding the need for a new application to be submitted.
- 7.22 Where an application is refused and is then re-submitted through the full variation process, the full 28 day notification period will apply from the date the new application is received and applicants should advertise the application and copy it to all responsible authorities (in accordance with the regulations applicable to full variations).

8. Review of Premises Licence and Other persons

- 8.1 In addition to Responsible Authorities, any other person can be involved in a number of licensing processes under the Act. This includes any individual, body or business entitled to make representations to licensing authorities in relation to applications for the grant, variation, minor variation or review of premises licences and club premises certificates regardless of their geographic proximity to the premises. These persons may themselves seek a review of a premises licence.
- 8.2 Any representations made by these persons must be 'relevant', in that the representation relates to one or more of the licensing objectives. The Licensing Authority should also consider whether the representation made is frivolous or vexatious. In the case of applications for reviews, there is an additional requirement that the grounds for the review should not be considered by the Licensing Authority to be repetitious.
- 8.3 While any of these persons may act in their own right, they may also request that a representative makes the representation to the Licensing Authority on their behalf. A representative may include a legal representative, a friend, a Member of Parliament, a Member of the Welsh Government, or a local ward or parish councillor who can act in such a capacity.
- 8.4 The Licensing Authority acknowledges that local councillors can make representations in their own right if they live, or are involved in a business in the

vicinity of the premises in question or if they have concerns about any premises regardless of whether they live or are involved in a business in the vicinity of the premises.

- 8.5 The Licensing Authority considers that Trading Associations, Trade Unions and residents and Tenant's Associations qualify as other persons.
- 8.6 The Licensing Authority will not generally view these bodies as other persons unless they have a member who can be classed as an Interested Party.
- 8.7 The Licensing Authority will generally require written evidence that a person is authorised to represent other persons in any case other than that is mentioned in paragraph 8.4 above.

Representations

- 8.8 Any Responsible Authority or other persons may make relevant representations on applications for the grant of a premises licence or club premises certificate and request reviews of licence or certificates that have been granted.
- 8.9 A representation will only be 'relevant' if it relates to the likely effect of the grant of the licence on the promotion of at least one of the four licensing objectives. In addition, the representation must not be frivolous or vexatious.
- 8.10 The police may object to the designation of a new designated premises supervisor (DPS) where, in exceptional circumstances, they believe that the appointment would undermine the crime prevention objective.
- 8.11 Where the police do object, the licensing authority must arrange for a hearing at which the issue can be considered and both parties can put forward their arguments. The 2003 Act provides that the applicant may apply for the individual to take up post as DPS immediately and, in such cases, the issue would be whether the individual should be removed from this post. The licensing authority considering the matter must restrict its consideration to the issue of crime and disorder and give comprehensive reasons for its decision. Either party would be entitled to appeal if their argument is rejected.
- 8.12 The 2003 Act also provides for the suspension and forfeiture of personal licences by the courts following convictions for relevant offences, including breaches of licensing law. The police can at any stage after the appointment of a DPS seek a review of a premises licence on any ground relating to the licensing objectives if problems arise relating to the performance of a DPS.
- 8.13 The Police and Environmental Health department may make representations in respect of a notification of a temporary event notice on the basis of any of the licensing objectives.
- 8.14 The Licensing Authority must be satisfied that the representation is made by another person, who can generally only be determined by reference to the

name and address of the person making it, this authority will not consider and representations that fail to provide those details.

- 8.15 Where relevant representations are made, the Licensing Authority must provide copies of those representations to the applicant or his/her representative. The Licensing Authority accepts that in exceptional circumstances an Interested Party may not wish for his/her personal details to be disclosed to the applicant.
- 8.16 Where the Licensing Authority considers that a relevant representation has been made and that exceptional circumstance exists, details of the name and address made be withheld from the copy of the representation that is provided to the applicant or his/her representative.
- 8.17 In all cases, applications and those making representations that are genuinely aggrieved by a decision of the Licensing Committee are entitled to appeal to the Magistrates' Court against the decision of the committee.
- 8.18 Where the Responsible Authorities or other persons do not raise any relevant representations about the application made to the Licensing Authority, the Licensing Authority will grant the premises licence or club premises certificate subject only to conditions that are consistent with the operating schedule and any mandatory conditions prescribed by the Licensing Act 2003.

Review of Licences

- 8.19 Where possible and appropriate, the Licensing Authority and Responsible Authorities will give early warning to licence holders of any concern about problems identified at premises and of the need for improvement.
- 8.20 Any Responsible Authority or other person may apply for a review of a premises licence or a club premises certificate by serving a notice containing details of the application on the holder of a licence or certificate and to each of the Responsible Authorities.
- 8.21 An application for review will be only 'relevant' if the grounds upon which it is made relate to the promotion of at least one of the four licensing objectives and is not frivolous, vexation or repetitious. An evidentiary basis will be required to be presented to the Licensing Authority.
- 8.22 Where other person applies for a review, the Licensing Authority must be satisfied that a review is relevant. There is no appeal to the decision of the Licensing Authority other than by the way of Judicial Review.
- 8.23 No more than one review from a person other than responsible authorities will be normally permitted within any 12 month period on similar grounds except in exceptional and compelling circumstances or where it arises following a closure order.

Conditions

- 8.24 Licensing is about the appropriate control of licensed premises, qualifying clubs, temporary events and the people who manage them or hold personal licences within the terms of the 2003 Act.
- 8.25 The Licensing Authority may not impose any conditions unless its discretion has been engaged following the making of relevant representations and it has been satisfied at a hearing of the necessity to impose conditions due to the representations raised. It may then only impose such conditions as are necessary to promote the licensing objectives arising out of consideration of the representations.
- 8.26 That the Licensing Authority actively promotes the benefits of partnership working between the Council and local businesses to enhance business operations and thereby achieve the community benefits of minimisation of waste, enhancement of the street scene, promotion of community safety, reduction of the fear of crime and the encouragement of tourism and inward investment. It is recommended that Premises Licence holder contact the Licensing Authority to ensure up to date mandatory conditions are on display.
- 8.27 To maximise the efficiency of administering licences and reduce the necessity for hearings, the Licensing Authority will actively encourage applicants and clubs to consult with Responsible Authority and seek professional guidance from Council services, when operating schedules are being prepared to allow for proper liaison to take place in such areas as noise reduction, CCTV, refuse and litter etc., to avoid representations being necessary. The Licensing Authority accepts that while some applicants may find it useful to contact the Responsible Authorities and Council services for advice and professional assistance, others will not need to do so, and that applications cannot be refused on the basis that such consultation has not taken place.
- 8.28 Where relevant representations are made, the Licensing Authority will seek to make objective judgements as to whether conditions may need to be attached to various authorisations and others in possession of relevant authorisations, to secure achievement of the licensing objectives.
- 8.29 Any conditions arising from the operating schedule or as a result of representations will focus primarily upon the direct impact of the activities taking place at licensed premises and on those attending the premise and members of the public living, working or otherwise engaged in normal activity in the areas concerned and will cover matters that are within control of the individual licensees.
- 8.30 If an applicant volunteer's prohibition or restriction in his/her operating schedule because his/her own risk assessment had determined such prohibition or restriction to be appropriate, such volunteered prohibitions or restrictions will become conditions attached to the licence or certificate and will be enforceable as such.
- 8.31 The Licensing Authority recognises that all applications should be considered on an individual basis and any condition attached to such a licence will be

tailored to each individual premise, to avoid the imposition of disproportionate and other burdensome conditions on those premises. Standard conditions, other than mandatory conditions, will, therefore, be avoided and no condition will be imposed that cannot be shown to be necessary for promotion of the licensing objective.

9. Temporary Event Notices (TEN's)

- 9.1 The Act sets out the legal requirements relating to TEN's. A TEN is a notification given by an individual to the Licensing Authority where it is proposed to use premises for one or more licensable activities during a period not exceeding 168 hours and can be used to authorise relatively small-scale ad hoc events held in any premises involving no more than 499 people at any one time.
- 9.2 A TEN is typically used to:
- Authorised a licensable activity at a premises not currently licensed e.g. selling alcohol at a fete
 - Temporarily extending the hours for providing a licensed activity at an existing licensed premises for a specific event
 - Provide for licensable activities not authorised by the existing licence.
- 9.3 The organiser must give the Licensing Authority notice of the proposed event and give a copy of the notice to the Police and Environmental Health.
- 9.4 Where an application or any part of it, is submitted in writing, it is the responsibility of the applicant to ensure that a copy of the application has been sent to the Police and Environmental Health, as stipulated in the Act. Where an application has been submitted electronically copies of the application will be forwarded to the responsible authorities by the Local Authority.
- 9.5 The organiser must normally give the Licensing Authority a minimum of 10 clear working days' notice. This does **NOT** include the date of submission, the date of the event, weekends or bank holidays. In a significant number of cases this time period does not allow sufficient time for the organiser to liaise with the Police or Environmental Health and other relevant bodies to ensure that the event passes off safely with minimum disturbance to local residents. Therefore the Licensing Authority will normally expect that the application be submitted no earlier than 28 days before the planned event. The giving of 28 days' notice allows for responsible discussions to take place with the Police and Environmental Health. The Licensing Authority will consider any breach of previous informal agreements to be an important matter when considering an objection to a TEN.

- 9.6 Late TENs can be submitted up to five working days but no earlier than nine working days before the event due to take place, and unless given electronically to the Licensing Authority, must also be sent to the Police and Environmental Health. A late TEN given less than five days before the event to which it relates will be returned as void and the activities returned as void and the activities to which it relates will not be authorised.
- 9.7 A key difference between standard and late TENs is the process following an objection notice from the Police or Environmental Health. Where an objection notice is received in relation to a standard TEN the Licensing Authority must hold a hearing to consider the objection, unless all parties agree that a hearing is unnecessary. If the Police or Environmental Health gives an objection to a late TEN the notice will not be valid and the event will not go ahead as there is no scope for a hearing or the application of any existing conditions.
- 9.8 The Licensing Authority will also actively encourage the organiser to notify other relevant agencies such as the Fire Authority (crowd safety and management) in order to obtain expert advice on how best to minimise the risk of injury and public nuisance. In addition, whilst under the Act applicants do not have to notify the Planning Authority in respect of a temporary event, however they are encouraged to do so to ensure that any relevant planning consent is in place.

10 Live Music Act 2012

- 10.1 The Live Music Act came into force on the 1 October 2012 and has made a number of changes to the Licensing Act 2003. This is designed to encourage more performances of 'live' music.
- 10.2 Live and recorded music is generally licensable under the Licensing Act but there are now many exemptions.

Live Music : no licence permission is required for:

- a performance of unamplified live music between 8.00am and 11.00pm on any day on any premises;
- a performance of amplified live music between 8.00am and 11.00pm on any day on premises authorised to sell alcohol for consumption on those premises provided that the audience does not exceed 500;
- a performance of amplified live music between 8.00am and 11.00pm on any day in a workplace that is not licensed to sell alcohol on those premises provided that the audience does not exceed 500;
- a performance of amplified live music between 8.00am and 11.00pm on any day in a church hall, village hall, community hall or other similar community premises that is not licensed by a premises licence to sell alcohol provided that the audience does not exceed 500 and the organiser obtains consent for the performance from a person who is

- responsible for the premises;
- a performance of amplified live music between 8.00am and 11.00pm on any day at the non-residential premises of a local authority, school or hospital provided that the audience does not exceed 500 and the organiser obtains consent.

Recorded music : no licence permission is required for:

- any playing of recorded music between 8.00am and 11.00pm on any day on premises authorised to sell alcohol for consumption on those premises provided that the audience does not exceed 500;
- any playing of recorded music between 8.00am and 11.00pm on any day in a church hall, village hall, community hall or other similar community premises that is not licensed by a premises licence to sell alcohol provided that the audience does not exceed 500 and the organiser obtains consent for the performance from a person who is responsible for the premises;
- Any playing of recorded music between 8.00am and 11.00pm on any day at the non-residential premises of a local authority, school or hospital provided that the audience does not exceed 500 and the organiser obtains consent.
- Any existing conditions on a premises licence which relate to live or recorded music are suspended between 8.00am and 11.00pm provided the premises are open for the supply of alcohol for consumption on the premises at the time that the entertainment is taking place and that, if the music is amplified, the audience does not exceed 500 people. Such conditions may be reinstated, or new conditions added, as a result of a review of a premises licence or club premises certificate.

- 10.3 When considering whether an activity constitutes ‘the provisions of regulated entertainment’ each case will be treated on its own merits. There will inevitably be a degree of judgement as to whether a performance is live music or not, so organisers of events are encouraged to check with the Licensing Authority if in doubt

None of the exemptions affect the need to apply for copyright licensing or the requirement not to cause a noise nuisance. Regulated Entertainment is a complex area and there are other minor exemptions – the council recommends seeking legal advice if in any doubt.

11 Cumulative Impact Policy

Need for Licensed Premises

- 11.1 There can be confusion about the difference between “need” and the “cumulative impact” of premises on the licensing objectives. “Need” concerns the commercial demand for another pub or restaurant or hotel. This is not a matter for a Licensing Authority in discharging its licensing functions or for its Statement of Licensing Policy.

Cumulative Impact of a Concentration of Licensed Premises

- 11.2 “Cumulative Impact” means the potential impact upon the promotion of the licensing objectives of a significant number of licenced premises concentrated in one area. The cumulative impact of licenced premises on the promotion of the licensing objectives is a proper matter for a Licensing Authority to consider in developing its Statement of Licensing Policy.
- 11.3 The Licensing Authority acknowledges that a concentration of licensed premises in a particular area can result in an increased number of people walking through or congregating in streets during the night with the potential impact of an increase in crime, anti-social behaviour, noise pollution and other disturbance to residents, together with an increase in littering or fouling. In such cases, the amenity of local residents can be placed under severe pressure but may not be attributable to any individual premises.
- 11.4 The Licensing Authority can only adopt a special policy on cumulative impact if there is evidence that a significant number of licensed premises concentrated in one area are resulting, or likely to result, in unacceptable levels of crime and disorder or public nuisance.
- 11.5 The Licensing Authority, having regard to the evidence currently available, considers that there is no particular part of the district causing a cumulative impact on any part of the licensing objective.
- 11.6 However, the cumulative impact of licensed premises in a particular area may, at a future time, on representation from residents or businesses and/or a responsible authority, trigger the consideration of whether any additional licences or substantial variations to existing licences, to increase such aspect as capacity or operating hours, would lead to an unacceptable saturation in an area. The onus will be upon the objectors to provide evidence that additional licences or the variation of existing licences would produce the cumulative impact claimed.

Advice and Guidance

- 11.7 The Licensing Authority recognises the valuable cultural, social and business importance that premises and events requiring a licence under the Licensing Act 2003 provide and welcomes the diversity of activities that are provided by licence holders. For this reason, pre-application discussions will be encouraged to assist applicants to develop their operating schedule. The Licensing Authority and the Responsible Authorities will offer as much advice and guidance to applicants as resources permit.
- 11.8 The Licensing Authority will also seek to liaise with applicants and/or mediate between applicants and others who may make representations, to achieve a satisfactory outcome for all involved, wherever possible and where resources permit. Where an applicant considers that mediation and liaison may be likely or probable, it is recommended that he/she discusses his/her proposal with the Licensing Team and those from who they think representations are likely prior to submitting an application. Once an application has been logged, there are statutory timescales imposed upon the application and determination process, which restricts the opportunity for such discussions, liaison and mediation.
- 11.9 Other mechanisms for controlling cumulative impact include:
- Planning controls
 - Positive measures to create a safe and clean town centre environment in partnership with local businesses, transport operators and other departments of the local authority
 - The provision of CCTV surveillance in town centres, ample taxi ranks, provision of public conveniences open late night, street cleaning and litter patrols
 - Powers of local authorities to designate parts of the local authority areas where alcohol may not be consumed publicly, namely the issuing of Public Protection Orders to these areas
 - Police enforcement of the general law concerning disorder and anti-social behaviour, including the issuing of fixed penalty notices
 - The prosecution of any personal licence holder or member of staff at such premises who is selling alcohol to people who are drunk
 - The confiscation of alcohol from adults and children in areas with Public Protection Orders
 - Police powers to close down instantly for up to 24 hours any licensed premises to temporary event on grounds of disorder, the likelihood of disorder or noise emanating from the premises causing a nuisance
 - The power of police, other responsible authorities or local resident or business to seek a review of the licence or certificate in question.

12 Late Night Levy

This is a power conferred on Licensing Authorities by the Police Reform and Social Responsibility Act 2011 which enables a levy to be charged to premises that are licensed to sell alcohol late at night in the authority's area, as a means of raising a contribution towards the costs of policing the late-

night economy. The option of introducing such a levy will be kept under review by the Council and would not be introduced without the required consultation.

13 Early Morning Restriction Orders (EMRO)

The power for Licensing Authorities to make, vary or revoke an EMRO set out in sections 172A to 172E of the Act.

- 13.1 An EMRO enables a Licensing Authority to prohibit the sale of alcohol for a specified time period between the hours of 12am and 6am in the whole or part of its area, if it is satisfied that this would be appropriate for the promotion of the licensing objective.
- 13.2 EMROs are designed to address recurring problems such as high levels of alcohol related crime and disorder in specific areas at specific times; serious public nuisance and other instances of alcohol related anti-social behaviour which is not directly attributable to specific premises.
- 13.3 It is the Council's intention to support businesses rather than hinder them whilst ensuring promotion of the licensing objectives. However where this has deemed to fail then an EMRO could be considered as a possible solution.
- 13.4 An EMRO:
 - Applies to the supply of alcohol authorised by premises licences, club premises certificate and temporary event notices
 - Applies for any period beginning at or after 12am and ending at or before 6am. It does not have to apply on every day of the week and can apply for different time periods or unlimited time period (e.g. an EMRO could be introduced for a few weeks to apply to a specific event)
 - Applies to the whole or any part of the Licensing Authority's area
 - Will not apply to the supply of alcohol to residents by accommodation providers between 12am and 6am, provided the alcohol is sold through mini-bars/room service
 - Will not apply to a relaxation of licensing hours by virtue of an order made under section 172 of the Act

EMRO Request

- 13.5 It is expected that the need of an EMRO may be identified by a number of different organisations. For example the request for an EMRO may originate from Cumbria Police, Environmental Health or residents association. It may come via another Responsible Authority. It is likely more than one organisation may be involved in the process.
- 13.6 It is anticipated that the request would be referred to Licensing where a designated procedure will be applied to determine if an EMRO is appropriate. If appropriate, the request will be referred to the Licensing Committee. Members would be supplied with evidence of the issues being experienced in

the area in support of the EMRO. The Licensing Committee will decide if, on the strength of the evidence provided, that an EMRO is appropriate for the promotion of the licensing objectives and further work is to be undertaken to support the case. Members may decide that other measures would be more effective in dealing with the problems, or that licensing holders should engage with the authorities in an attempt to rectify matters before the request is considered further.

Evidence

13.7 Section 182 Guidance to Licensing Authorities states that “The Licensing Authority should be satisfied that it has sufficient evidence to demonstrate that its decision is appropriate for the promotion of licensing objectives. This requirement should be considered in the same manner as other licensing decisions, such as the determination of applications for the grant of premises licences. The Licensing Authority should consider the evidence from partners, including responsible authorities and local community safety partnerships, alongside its own evidence, to determine where an EMRO would be appropriate for the promotion of licensing objectives.”

13.8 The level of evidence Licensing Committee will consider to support an EMRO is:

- Police evidence of reported alcohol related crime
- Nuisance statistics compiled from complaints made to Environmental Health in relation to noise, odour and litter nuisance
- Data gathered from complaints made to Licensing on matters which affect the licensing objectives
- Anecdotal evidence from residents organisations, ward members and other representatives of people living in specific areas
- Evidence obtained during the public consultation and associated public meetings

13.9 In addition the Section 182 guidance suggests other sources of evidence such as:

- Health related statistics such as alcohol-related emergency attendance and hospital admissions

13.10 This should, in part be provided by the organisation or group who are proposing an EMRO should be in force.

13.11 Once the Licensing Committee is satisfied that an EMRO is required to address the issues in an area, and all other measures have been tried and failed to address these issues, the formal process of implementing an EMRO will begin. The design of the EMRO will include:

- The days (period of those days) on which the EMRO would apply
- The area to which the EMRO would apply
- The period for which the EMRO would apply

- The date from which the proposed EMRO would apply

Consultation

13.12 The proposed EMRO will be advertised for at least 42 days. The proposal will be published on the Council's website and in a local newspaper. A notice will be sent to all affected people in the area who hold a premises licence or a club premises certificate, or people who use TENs or who would hold a provisional statement. A notice will be displayed in the area, and sent to responsible authorities and adjacent licensing authorities.

13.13 Any affected by the EMRO has 42 days in which to make a representation on any aspect of the EMRO design. If relevant representations are received then a hearing will be held to consider them. If there are a number of representations, the Licensing Authority may consider whether to hold the hearing over several days. The hearing will commence within 30 working days of the end of the notice period.

13.14 As a result of the hearing the Licensing Authority has three options:

- To decide that the proposed EMRO is appropriate for promotion of the licensing objectives
- To decide that the proposed EMRO is not appropriate and therefore the process should be ended
- To decide that the proposed EMRO should be modified. In this case it may be necessary to advertise again

Formal Decision

13.15 Once the Licensing Authority is satisfied that the proposed order is appropriate for the promotion of the licensing objectives, its determination will be put to full Council for its final decision. Once the EMRO is made, the authority will send a notice to all affected persons and make it available for 28 days on the website.

13.16 A variation or revocation of an order will follow the same process. However an order could be applied for a specified time and in this case the order ceases to apply on the final day.

13.17 Once an EMRO is in place, the Licensing Authority will update this policy as soon as possible to include reference to the EMRO in this section.

13.18 There are currently no EMROs in place for this area.

14 Enforcement

- 14.1 Carlisle City council delivers a wide range of enforcement services aimed at safeguarding the environment and the community, and at providing a 'level playing field' on which businesses can trade fairly. The administration and enforcement of the licensing regime is one of these services. Carlisle City Council is committed to the principles of good enforcement practice by carrying out its regulatory functions in a fair, open and consistent manner.
- 14.2 The Licensing Authority recognises the interests of both citizens and businesses and will work closely, with partners, to assist licence holders to comply with the law and the four licensing objectives that it seeks to promote. However, proportionate but firm action will be taken against those who commit serious offences or break the law consistently.
- 14.3 The Licensing Authority works in partnership with all of the Responsible Authorities under the Act on enforcement issues. This joint working provides for the targeting of resources towards high-risk premises and activities that require greater attention, while providing a lighter touch in respect of low risk premises that are operated well.

15 Administration, Exercise and Delegation of functions

- 15.1 The Licensing Authority will be involved in a wide range of licensing decisions and functions and has established a Licensing Committee to administer them.
- 15.2 Appreciating the need to provide a speedy, efficient and cost-effective service to all parties involved in the licensing process, the Committee has delegated certain decisions and functions and has established a number of Sub-Committees to deal with them.
- 15.3 Further, with many of the decisions and functions being purely administrative in nature, the grant of non-contentious applications, including for example, those licence and certificates where no representations have been made, has been delegated to Licensing Authority officers.
- 15.4 The Licensing Committee will consist of 12 Councillors. Licensing Sub-Committees of three Councillors are expected to consider the bulk of applications where a hearing is necessary. Ward Councillors will not sit on Sub-Committee involving an application within their ward.

- 15.5 Every determination of a licensing application by the Licensing Committee or Licensing Sub-Committee shall be accompanied with clear, cogent reasons for the decision.
- 15.6 It is expected that the authority's licensing officers will deal with the majority of licence applications and will decide whether representations are irrelevant, frivolous or vexatious. The person making a representation, which is considered to be frivolous or vexatious, will be given written reasons for that decision.
- 15.7 The authority will ensure that members and officers are appropriately trained to carry out their duties under the Act.
- 15.8 The table at Appendix 2 sets out the agreed delegation of decisions and functions to Licensing Committee, Sub-Committee and Officers.
- 15.9 Officers, a Licensing Sub-Committee and even the full Licensing Committee may decline to exercise their delegated powers in any particular case. On such occasions, officers may refer a matter to a Sub-Committee, the Sub-Committee to full Committee and the full Committee to the full Council.

Table of Delegated functions

| Matters to be dealt with | Sub-Committee | Officers |
|---|----------------------------|---------------------------|
| Application for personal licence | If objection made | If no objection made |
| Application for personal licence with unspent convictions | All cases | |
| Decision to suspend or revoke a personal licence due to the holder being convicted of a relevant conviction | All cases | |
| Application for Premises Licence/Club Premises Certificate | If representation made | If no representation made |
| Application for Provisional statement | If representation made | If no representation made |
| Application to vary Premises Licence/Club Premises Certificate | If representation made | If no representation made |
| Application to vary Premises Licence/Club Premises Certificate by way of minor variation | | All cases |
| Application to vary Designated Premises Supervisor (DPS) | If Police object | All other cases |
| Request to be removed as DPS | | All cases |
| Application to transfer of Premises Licence | If a Police representation | All other cases |
| Application for Interim Authorities | If a Police representation | All other cases |
| Application to review Premises Licence/Club Premises Certificate | All cases | |
| Decision on whether a complaint is irrelevant, frivolous, vexatious, etc. | | All cases |
| Decision to object when local authority is a consultee and not the relevant authority considering the application | All cases | |
| Determination of Police objection to a TEN | All cases | |
| Determination of film classification | All cases | |

EXCERPT FROM THE MINUTES OF THE LICENSING COMMITTEE HELD ON 9 SEPTEMBER 2020

LC.18/20 STATEMENT OF LICENSING POLICY 2021-2026

The Licensing Manager submitted a report which detailed the proposed Statement of Licensing Policy for 2021-26 and consultation period in order for the Policy to be adopted by Council on 5 January 2021.

The Licensing Manager reported that a six week public consultation

The Licensing Manager reminded the Committee that there was a statutory requirement under the Licensing Act 2003 for the Council to review and re-publish its Statement of Licensing Policy every five years. The impact of Covid-19 on the workload of the Licensing Section had hindered the full effective review of the Policy. Following advice from the Institute of Licensing it was proposed that the Council consulted on the retention of the existing Policy in the short term and a more detailed review would be undertaken, if necessary, within the next five year cycle.

The Licensing Manager outlined the amendments to the Policy (which were highlighted in the appendix to the report) and set out the consultation period and decision making process for the Policy.

RESOLVED – That the draft Statement of Licensing Policy 2021-26, as attached to Appendix 1 of report GD.45/20, be approved for consultation.

EXCERPT FROM THE MINUTES OF THE LICENSING COMMITTEE HELD ON 18 NOVEMBER 2020

LC.23/20 END OF CONSULTATION DRAFT STATEMENT OF LICENSING POLICY 2021-2026

The Licensing Manager submitted a report (GD.56/20) which detailed the proposed Statement of Licensing Policy for 2021-26 which the Committee had agreed for consultation on 9 September 2020.

The Licensing Manager reported that a six week public consultation had been carried out on the draft Policy from 10 September to 10 October 2020. The consultation involved existing licence holders and was publicised through press releases, on the city Council website and on City Council social media. No comments had been received during the consultation and no changes had been made to the draft Statement.

RESOLVED – That the Licensing Committee recommend the Statement of Licensing Policy 2021-26, as attached to Appendix 1 of report GD.56/20, to be approved by Council on 5 January 2021 in order to be published on 7 January 2021.

Report to Council

Agenda
Item:

17

Meeting Date: 5 January 2021

Portfolio: Cross-cutting

Key Decision: Not applicable

Policy and Budget
Framework Not applicable

Public / Private Public

Title: OPERATION OF THE PROVISIONS RELATING TO CALL-IN AND
URGENCY

Report of: Corporate Director of Governance and Regulatory Services

Report Number: GD.06/21

Purpose / Summary:

To report on the operation of call-in and urgency since the previous report to Council on 3 November 2020.

Recommendations:

That the position be noted.

Tracking

| | |
|------------|----------------|
| Executive: | N/A |
| Scrutiny: | N/A |
| Council: | 5 January 2021 |

1. BACKGROUND

Rule 15(i) of the Overview and Scrutiny Procedure Rules deals with the procedure in respect of occasions where decisions taken by the Executive are urgent, and where the call-in procedure should not apply. In such instances the Chairman of the Council (i.e. the Mayor) or in her absence the Deputy Chairman of the Council must agree that the decision proposed is reasonable in the circumstances and should be treated as a matter of urgency.

The record of the decision and the Decision Notice need to state that the decision is urgent and not subject to call-in. Decisions, which have been taken under the urgency provisions, must be reported to the next available meeting of the Council together with the reasons for urgency.

Furthermore, Regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 prescribes that the intention to hold a meeting in private must be published at least 28 clear days prior to that meeting.

Where the date by which a meeting must be held makes compliance with the regulation impracticable, the Chairman of the relevant Scrutiny Panel or the Chairman of the Council may agree that the meeting is urgent and cannot reasonably be deferred.

2. OPERATION OF THE PROVISIONS RELATING TO CALL IN AND URGENCY

The Executive, at their special meeting held on 7 December 2020, gave consideration to a report of the Town Clerk and Chief Executive (CE.07/20) regarding the Local Government Reorganisation - Approval of Carlisle City Council's Submission. If a call-in was received, call-in procedures would delay transmission of the final submission on the said topic to Government by the 9 December 2020 deadline, thereby prejudicing the Council's interests.

Furthermore, on 14 December 2020, the Executive considered reports concerning the undernoted matters:

Town Deal Capital Accelerated Fund

The funding allocated by the MHCLG to deliver the project must be committed by March 2021 and therefore approval from members needs to be secured before Christmas to enable the project development work and procurement to commence in early January 2021.

Dates and Times of Meetings 2021/22 (GD.61/20)

Tullie House Business Plant 2020/21 (Private CS.37/20)

If a call-in was received, the call-in procedures would overlap the virtual City Council meeting on 5 January 2021 when the Council is scheduled to consider the matters. Any delay caused by the call-in process would prejudice the Council's interests in terms of approving the items

The Mayor agreed that the above decisions were urgent and, for the reasons set out, that the call-in process should not be applied to the decisions.

3. PROCEDURES PRIOR TO PRIVATE MEETINGS

The Executive, on 14 December 2020, considered an urgent private report (ED.48/20) concerning the Borderlands Inclusive Growth Deal – Progress to Deal Update. The matter was urgent, and a decision was required on that date in order that the matter may move through the City Council's democratic process, culminating with submission to full

Council in mid-February 2021. The decision could not wait until the next scheduled Executive meeting since that would prevent sign off in accordance with the February 2021 deadline and submission of the signed Deal to the UK and Scottish Governments.

Compliance with Regulation 5 was therefore impracticable, and The Mayor agreed that the decision was urgent, could not reasonably be deferred and could be dealt with on 14 December 2020.

4. CONCLUSION AND REASONS FOR RECOMMENDATIONS

4.1 That the position be noted.

Contact Officer: Rachel Plant

Ext: 7039

**Appendices
attached to report:** None

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

- Carlisle City Council's Constitution
<https://www.carlisle.gov.uk/Council/Council-and-Democracy/Constitution>
- The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

CORPORATE IMPLICATIONS:

LEGAL – Report is by the Corporate Director of Governance and Regulatory Services and legal comments are included

PROPERTY SERVICES – Not applicable

FINANCE – Not applicable

EQUALITY – Not applicable

INFORMATION GOVERNANCE – Not applicable

