

SPECIAL COMMUNITY OVERVIEW AND SCRUTINY PANEL

MONDAY 8 SEPTEMBER 2014 AT 2.00 PM

PRESENT: Councillor Burns (Chairman), Councillors Caig (as substitute for councillor Harid), Ellis, Gee, McDevitt, Mrs Prest, Mrs Stevenson and Mrs Vasey.

ALSO

PRESENT: Councillor Glover – Leader
Councillor Mrs Martlew – Deputy Leader and Environment and Transport Portfolio Holder
Councillor Allison – Observer
Councillor Earp – Observer
Councillor Higgs – Observer
Councillor J Mallinson – Observer
Councillor Mitchelson – Observer

OFFICERS: Deputy Chief Executive
Arts Development Officer
Chief Accountant
Contracts and Community Services Manager
Overview and Scrutiny Officer

COSP.48/14 APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillor Harid

COSP.49/14 DECLARATIONS OF INTEREST

There were no declarations of interest affecting the business to be transacted at the meeting.

COSP.50/14 CALL-IN OF DECISIONS

The Chairman of the Community Overview and Scrutiny Panel reported that Executive Decision EX.78/14 from the Executive on 18 August 2014 – Business Plan – Arts Centre had been called-in by Councillors Ellis, Mrs Prest and Mrs Vasey.

The Executive had decided:

“That the Executive had considered the comments and recommendations of the Community Overview and Scrutiny Panel (as set out in Minute COSP.43/14); and would respond as follows:

Resolution 2 - the Executive would work with Officers with a view to updating the Business Plan to include the cost of Officers’ time in respect of the Arts Centre; and

Resolution 3 – the Executive wished to refer the matter to the Corporate Risk Management Group for consideration.”

The reason for the decision by the Executive was:

“The pilot programme at the Old Fire Station had demonstrated real market demand for a mid-size Arts Centre within Carlisle. It had shown that the Arts Community themselves could proactively offer support for such a facility, if they were provided with the right platform. In doing so, they also offered a significant boost to the long term sustainability of such an Arts Centre.

By necessity the pilot programme saw a low cost, flexible operating model emerge which had proven to be successful and sustainable within limited budgetary provision.

The principles of that approach had been refined within the business and operating plan presented in the report, and used to make financial projections based on known market data and take up and usage during the pilot programme. Those financial projections had been deliberately conservative but still showed that the Arts Centre could sustainably operate within proposed budgetary provision.

The proposed business and operating plan for the Old Fire Station therefore presented a low-cost start up proposal for an Arts Centre, operating within proposed budgetary provision. “

The reason given by the Members for the call-in was “concerns about going ahead without a complete Business Plan”.

In considering the decision Members raised the following comments and questions:

- *A number of Members believed that the submitted Business Plan was inadequate and incomplete. Would Members of the Executive explain how they could approve the Business Plan with true staffing costs omitted?*
- *A Member was disappointed that the report had been brought back to the Panel for the reasons stated. He believed that the Executive had approved the resolutions made by the Panel and that Members of the Panel should trust the Executive to do what they said they would do.*

The Leader advised that he too was disappointed as the Executive had accepted both resolutions made by the Panel and felt that the decision had been called in and a new resolution added. He believed it to be an attempt to drag out discussions about the Arts Centre for as long as possible.

The Executive had approved the creation of an Arts Centre in December 2013 and the current Business Plan was an indication of how the Arts Centre would operate. Tenders for the work had been carried out. The pilot process looked at how the Arts Centre would work and the skills required. Members of the public had spoken with enthusiasm about the scheme during the pilot programme and were asking when it would be ready.

The figures presented were a best estimate which was what would be expected by any business at this stage. The figures would be updated regularly to include changes to expenditure and resources.

With regard to staff, the Leader explained that they were doing some of their work at the Arts Centre as well as at the Civic Centre. The Business Plan would be monitored carefully and regularly.

When the Executive had agreed the resolutions Officers were asked to provide more information and a revised Business Plan was circulated to Members at the meeting. The Leader explained that the Business Plan would evolve but it would be monitored closely by the Executive as they wished it to be a success for the City. However the Panel were encouraged to scrutinise the Arts Centre for years to come.

- *There were no costs in the Business Plan in relation to current staffing and management costs. If those figures had been included Members could have worked with them. It could look like there had been some deception.*

The Deputy Chief Executive explained that he did not believe that there would be a separate staffing structure for the Arts Centre built into the Business Plan but that those costs would be covered by good recharge accounting practices. As more work was completed on the project the Business Plan would be reviewed and updated to reflect known costs as opposed to estimates. The Deputy Chief Executive was pleased that the Executive had tasked Officers to manage the process. The Council had agreed the budget for the Arts Centre and the project would be reviewed.

With regard to the resolution in relation to the risk assessment, the Deputy Chief Executive explained that the project had been submitted to the Corporate Risk Management Group who had determined that there was an operation risk but they were satisfied for Officers to continue carry on with the project and that it would be reviewed and kept under consideration by the Group.

The Contracts and Community Services Manager explained how the staffing costs had been calculated in the revised Business Plan. Other amendments included a change to the room hire which had been increased. There had been a small reduction in programming costs and on external publicity.

The Business Plan now included an increase to the catering income which was a result of soft marketing and the procurement exercise.

- *Members thanked the Contracts and Community Services Manager for the updated Business Plan.*
- *How were ticket costs calculated?*

The Contracts and Community Services Manager explained that the costs of tickets was based on the assumption that the Council would promote four events per month. The average cost for an act was £1500 and tickets £10

- *The report refers to the Arts Centre Manager. Who has that role?*

The Contracts and Community Services Manager explained that he was undertaking the duties of the Arts Centre Manager and those duties were already included within his current job description. He would be responsible for monitoring the catering staff and managing the Arts Development Officer, including his 20% supervision of staff.

The Deputy Chief Executive advised that the work done by the Contracts and Community Services Manager and the Arts Development Officer would be monitored and adjusted if necessary. The Deputy Chief Executive reminded Members that the Contracts and Community Services Manager and the Arts Development Officer were not additional posts.

People involved in the project would not always be City Council staff. For example catering staff would be responsible for opening and locking up the building. The roles of the Contracts and Community Services Manager and the Arts Development Officer would be to ensure the smooth operational delivery on arrangements for staffing.

- *The minutes of the Scrutiny Panel stated that the Arts Centre would be almost like a community centre. Management time in some of the community centres was up to 20 hours per week. That was a big difference to the three hours per week which had been suggested would be worked by his post acting as the Arts Centre Manager.*

The Contracts and Community Services Manager explained that community centre managers were responsible for opening up and locking buildings as well as cleaning, etc the costs of which were taken up within the recharges. The Contracts and Community Services Manager and the Arts Development Officer would not be on site at all times. Some users would be entrusted with their own set of keys.

As an example of how events could be organised independently in the Arts Centre, the Leader informed Members that the recent Borderline event had been very successful. The event took place over three days and across four venues and had been organised by a small number of people assisted by a large number of volunteers. Had the event been in the Arts Centre someone would have been responsible for accessing and shutting up the Centre and the event would have been successful with minimum input from City Council staff.

The Contracts and Community Services Manager explained that his role was more involved with looking at users' public liability insurance and employer insurance rather than watching over the opening up of the centre and the events themselves.

- *How had caterers responded to the fact that they would be required to work front of house?*

The Contracts and Community Services Manager advised that an advertisement had been placed in the newspaper inviting expressions of interest. There had been fourteen responses. A number of open days had been arranged and six providers had been given a tour of the Old Fire Station. The Contracts and Community Services Manager had clearly reiterated the roles of catering staff who had been very positive about the role. The providers had bought into the ethos of the Arts Centre and some had suggested that they could put on their own events.

The Chairman thanked the Contracts and Community Services Manager and the Deputy Chief Executive for their contributions and suggested that this matter could have been dealt with in a less formal way. If the additional information that had been made available at the meeting had been circulated to Members as soon as it had been available, or if Members had sought the information directly from the Officers or through the Chairman, the necessity for a call-in might have been avoided.

RESOLVED: That Members of the Panel were happy with the explanations provided and the matter would not therefore be referred back to the Executive.

[The meeting ended at 2.33pm]