

Gloucester City Council

Meeting:	Overview and Scrutiny Committee	Date:	23 February 2015
	Cabinet		25 February 2015
Subject:	Review of Cultural Services		
Report Of:	Cabinet Member for Regeneration & Culture		
Wards Affected:	N/A		
Key Decision:	No	Budget/Policy Framework:	No
Contact Officer:	Martin Shields, Director of Services & Neighbourhoods		
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Appendices:	1. Report recommendations & Implementation Plan from Michael + Partners		

FOR GENERAL RELEASE

1.0 Purpose of Report

- 1.1 To provide Members with the details of the work undertaken by Michael + Partners in relation to the City and Folk Museums and the Guildhall and to recommend to Members elements of the report to be taken forward.

2.0 Recommendations

- 2.1 Overview and Scrutiny Committee is asked to **RESOLVE** that the report be noted, subject to any recommendations the Committee wishes to make to Cabinet.
- 2.2 Cabinet is asked to **RESOLVE** that
 - (1) The contents of the Michael + Partners report be noted;
 - (2) The elements of the review referred to in paragraphs 3.7, 3.9 and 3.11 be approved for implementation with the exception of the first bullet point in paragraph 3.7 which reads: "Creation of a new frontage with box office and café bar";
 - (3) A Project Manager be appointed to oversee the implementation of the recommendations in paragraph (2) above;
 - (4) Councillors Chatterton and McLellan are thanked for their contributions to the cross-party working group.

3.0 Background and Key Issues

- 3.1 Members will aware that as part of an ongoing priority of the Council to reduce costs and improve service standards a decision was taken to appoint a suitably

qualified consultant to advise a cross party working group of Members and officers on options for the future delivery of services at the Guildhall and both Museums.

- 3.2 Following a tendering and evaluation process Michael + Partners were appointed and the work on the project commenced in June 2014.
- 3.3 The approach taken for the review, as determined by the Project Group was broken down into five phases;
 - Phase 1 – Project Initiation; agreeing scope and objectives
 - Phase 2 – Business Review; of all 3 venues, including the offer, audience demand, competition, property limitations and opportunities, marketing, staffing structures and skills profiles
 - Phase 3 – Initial Proposals
 - Phase 4 – Consultation; with relevant stakeholders
 - Phase 5 – Final Proposals; costed recommendations
- 3.4 The full report, including the detailed analysis of each venue, the final recommendations and proposed implementation plan are attached at Appendix 1 of this report. As Members will see, the report is detailed, comprehensive and offers some radical options for the future running of the services, especially in relation to the Guildhall.
- 3.5 In order to summarise the reports findings and recommendations it is worth dividing it into the 3 major components i.e. Guildhall, City Museum and Folk Museum.

3.6 Key Issues – Guildhall

- The financial position remains a concern. However, the level of subsidy to the service is forecast to reduce in the short term but remain a concern over the longer term period
- Ticket sales continue to improve but venue hire has been disappointing
- Employee costs need reassessing as they include a wide range of Council initiatives not directly linked to core Guildhall business
- The building will require significant investment over the next 10 years

3.7 Key Recommendations & Opportunities – Guildhall

- Creation of a new frontage with box office and café bar
- Re-launch the food and drink offer
- Expand meeting and venue hire facilities
- Refurbish the cinema and expand the content to include live cinema relays
- Expand capacity of the main hall and widen the events programme
- Review staffing structures and skills to improve performance in marketing and sales (this also applies to both museums)
- Improve the appearance of the roof top entrance
- Consider outsourcing specific aspects of the service or in its entirety if the right opportunity comes along

3.8 Key Issues – City Museum

- As with the Guildhall the financial position remains a concern both in terms of revenue generated through visitors to the museum and the significant building maintenance costs over the next 10 years
- At the time of the review work was ongoing to submit a Heritage Lottery Fund (HLF) bid to support the refurbishment of the upper floor of the museum but this has subsequently been unsuccessful at this stage. However, it is intended to re-submit the bid after further consultation with the HLF
- The catering offer has not achieved anticipated levels of income or customer numbers and needs to be reviewed alongside other catering functions provided by the Council.

3.9 Key Recommendations & Opportunities – City Museum

- Implement a new charging model that is simpler to understand and links promotional offers across both museums
- Review the opening hours as per page 62 of the appended report
- The museum offers great value for money and needs to be exploited by improving marketing to target tourists and residents alike both through hard advertising and online promotions
- Reinvigorate the hospitality side of the business by opening up an access way between the City Museum and the library to draw in library users into the café
- Maximise commercial performance in areas such as venue hires, exhibitions and events

3.10 Key Issues – Folk Museum

- The museum suffers from low footfall due to its location
- It is a Grade II* listed building
- The exterior is in poor condition
- Ongoing maintenance costs will be significant over coming years

3.11 Key Recommendations & Opportunities – Folk Museum

- The building is quaint and full of character which can be exploited
- The museum would benefit from a re-branding as the consultation indicated that the name was off putting to many visitors. This could raise the profile of the museum if handled well and involved a public competition
- Review the opening hours as per page 62 of the appended report
- Following the recent ‘revamp’ space is available to improve the offer
- The garden is a real selling point and should be promoted alongside a re-launch of the café
- The Ed Shed offers excellent meeting space and should be promoted alongside the garden and café facilities

4.0 Alternative Options Considered

- 4.1 The review report provides a wide range of options and the consultant achieved, and in some areas exceeded, the original brief. Extensive consultation was

undertaken and the final report was acknowledged by the working group to be an excellent piece of work that covered all available options.

5.0 Reasons for Recommendations

- 5.1 It is recommended that all of the recommendations listed in paragraphs 3.7, 3.9 and 3.11 be approved with the exception of the first bullet point in paragraph 3.7 which reads: "Creation of a new frontage with box office and café bar".
- 5.2 After long and careful discussion with Stephen Michael, involving Members and officers this option is deemed to be unaffordable. The building is not for sale and could only be purchased at a premium which would be unlikely to be signed off as 'best value' by the Council's external property advisers.
- 5.3 It should also be noted that the development of Kings Quarter may bring other opportunities linked to entertainment and as Members will be aware the City Council has already invested substantially in the development of this area.

6.0 Future Work and Conclusions

- 6.1 Many of the smaller scale recommendations that have little financial value have been, or are being, implemented by the staff at the three locations. However, the intention is to appoint a project manager to oversee the implementation of the major changes that are recommended to ensure the recommendations are delivered without any delay to maximise revenue opportunities.

7.0 Financial Implications

- 7.1 The recommendations at paragraphs 3.7, 3.9 and 3.11 in some instances will require some financial investment by the Council. These recommendations are however expected to deliver income improvements and costs savings in excess of the investment. This will contribute to delivering the required 2015/16 budget savings.

(Financial Services have been consulted in the preparation this report.)

8.0 Legal Implications

- 8.1 Section 144 of the Local Government Act 1972 empowers the Council to provide facilities for conferences and exhibitions and Section 145 of the Act empowers the Council to provide premises for entertainment, including ancillary facilities such as refreshments. The power to provide museums is contained in Section 12 of the Public Libraries and Museums Act 1964.
- 8.2 The Council's procurement rules will need to be followed, where relevant, in the engagement of the Project Manager and in procuring any of the works or services identified for implementation in the recommendations.
- 8.3 The proposal to open up an accessway between the City Museum and the library may also require appropriate legal agreements between the City Council and the County Council.

(Legal Services have been consulted in the preparation this report.)

9.0 Risk & Opportunity Management Implications

- 9.1 The opportunities arising from this review are clearly spelt out in paragraphs 3.7, 3.9 and 3.11 of this report. Risks relate to underachievement of income targets and ongoing maintenance costs for the buildings however these are well known and manageable within current budgets.

10.0 People Impact Assessment (PIA):

- 10.1 The PIA Screening Stage was completed and did not identify any potential or actual negative impact, therefore a full PIA was not required.

11.0 Other Corporate Implications

Community Safety

- 11.1 Having a vibrant city centre entertainment venue will bring life into the city centre of an evening which creates a feeling of activity and safety.

Sustainability

- 11.2 There are no sustainability issues linked to this project.

Staffing & Trade Union

- 11.3 There are no immediate staffing and trade union implications arising from this report. However, it may be necessary to review staffing structures and staff skills as the implementation progresses. These will be conducted in accordance with the Council's restructuring policies.

Background Documents: None