

Chichester District Council

OVERVIEW AND SCRUTINY COMMITTEE

2 July 2015

Cultural Grants - Task and Finish Group report

1. Contacts

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2. Recommendation

The Overview and Scrutiny Committee is requested to:

- 2.1. **Note this report from the Task and Finish Group.**
- 2.2. **Endorse the 2014/15 annual reports from Pallant House Gallery and Chichester Festival Theatre.**
- 2.3. **Endorse the Council's 2015/16 Service Level Agreements with both organisations.**
- 2.4. **Agree that a full three year review is carried out by the committee in March 2016 as required by these organisations' Funding Agreements.**

3. Background

- 3.1. In April 2010 the Council entered into Funding Agreements with Chichester Festival Theatre and Pallant House Gallery. The agreements provide annual funding of the theatre and gallery for eight years until 31 March 2018.
- 3.2. The funding agreements require the theatre and gallery to:
 - a) Enter into an annual Service Level Agreement (SLA) by mutual agreement between both parties
 - b) Submit annual reports and Audited Accounts to the Council within six months of the end of each financial year
 - c) Provide a formal report to the Overview & Scrutiny Committee on an annual basis
- 3.3. The funding agreements also allow for a three yearly review or reconsideration if the Council's financial position changes to an extent that places other services at risk. It includes a clause requiring these organisations to work together with other funding partners to secure their financial stability.
- 3.4. This Task and Finish Group was reconvened in April 2015 to review the two organisations' progress against their 2014/15 SLAs and to consider and develop

their draft 2015/16 SLAs.

The group consisted of Mrs C Apel (Chairman), Mr A French, Mr G Hicks, Mr N Thomas and Mrs J Tassell. The group met with the gallery and the theatre separately to receive their reports, to question and scrutinise their work and to raise any concerns.

4. Consultation

4.1. Chichester Festival Theatre

- 4.1.1 The group met with Mr A Finch, Executive Director and Mr S Parsonage, Finance Director and Company Secretary.
- 4.1.2 The theatre's 2014/15 SLA and annual report were reviewed and the various projects and outcomes acknowledged.
- 4.1.3 The group considered the Trustee's report and 2013/14 Accounts and acknowledged the theatre's various constraints last year with the Renew Programme having delayed a number of shows and the commitment to selling reduced price youth tickets alongside full price tickets as well as the income achieved from taking shows to other national and international venues.
- 4.1.4 The group acknowledged the theatre's contribution to spend in the local economy with the theatre's Reading University produced Economic Impact Report stating that 73% of theatre audiences are visitors to the district, spending an average of £60 per visit.

4.2. Pallant House Gallery

- 4.2.1 The group met with Mr M Steene, Executive Director and Mr A Churchill, Deputy Director, Commercial and Operations.
 - 4.2.2 The gallery's 2014/15 SLA and annual report for this period were considered. The group was satisfied with the amount of work being achieved for and with the district's communities, particularly with dementia sufferers and their carers.
 - 4.2.3 The gallery had received a grant to review the maintenance requirements of the Council's Hussey collection and all was stated to be in good condition.
 - 4.2.4 The group considered the Trustees' report and the gallery's 2013/14 Accounts. In terms of reserves, the gallery's Endowment Fund looked healthy and current projection for this financial year is favourable.
 - 4.2.5 The gallery was encouraged to carry out an economic impact study and to engage with the Council in a planned study of sports, health and wellbeing. The Council will work with the gallery in developing joint projects in priority areas.
- 4.3 The group was satisfied that the draft 2015/16 SLAs for both the theatre and gallery were complementary to the strategic aims of the Council and that the

Council was achieving value for money from its grants, particularly the community work being carried out in both organisations which meets the authority's corporate priorities of 'supporting vulnerable people and communities' and in 'contributing to the economic impact of the area'. The 2015/16 SLAs are now being finalised.

- 4.4 Following this review and conclusions, the authority to release the biannual payments to both organisations, due in April 2015, has been signed off.
- 4.5 As agreed previously by the committee, the Head of Community Services will meet with the Directors of both organisations in the autumn to review progress and performance in order to release the six monthly instalment on 1 October 2015.
- 4.6 A full review of the theatre and the gallery will be carried out in March 2016, with representatives from each organisation attending the Overview & Scrutiny Committee to make a presentation.

5. Community impact and corporate risks

- 5.1. The main risk to this Council is a loss of economic and community benefits if reduction in public funding causes a major reduction in the level of activity generated by the theatre.

6. Other implications

	Yes	No
Crime and Disorder		✓
Climate Change		✓
Human Rights and Equality Impact		✓
Safeguarding		✓

7. Appendices

- Appendix 1 - Chichester Festival Theatre 2014/15 Annual Report
- Appendix 2 - Chichester Festival Theatre 2015/16 Service Level Agreement
- Appendix 3 - Pallant House Gallery 2014/15 Annual Report
- Appendix 4 - Pallant House Gallery 2015/16 Service Level Agreement