

Chichester District Council

THE CABINET

9 January 2024

Cultural Grants Extension

1. Contacts

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2. Recommendations

- 2.1 That Cabinet recommends to Council that the funding agreement for Chichester Festival Theatre is extended for a further year until 31st March 2025 to allow for the results from the social and economic impact assessment to be fully considered.**
- 2.2 That Cabinet recommends to Council that the funding agreement for Pallant House Gallery is extended for a further year until 31st March 2025 to allow for the results from the social and economic impact assessment to be fully considered.**

3. Background

- 3.1 In 2016, a formal review of funding for Chichester Festival Theatre (CFT) and Pallant House Gallery (PHG) was initiated to consider the future of the funding arrangements, under the heading of "Cultural Grants".
- 3.2 Annual funding of £187,500 for CFT and £130,000 for PHG for the years 2018 to 2022 was committed, and Cabinet delegated that the monitoring of the Funding Agreement would be conducted by Overview and Scrutiny Committee.
- 3.3 The funding agreements were conditional upon the reporting to the satisfaction of the Council (acting reasonably) on annual activity. The content of the reporting is outlined in, but need not be limited to, the monitoring framework.
- 3.4 On 19 January 2021, Council agreed a further one year extension to the funding agreement in line with Art Council England (ACE) extension of the National Portfolio Organisation (NPO) funding as a result of the impact of covid-19.
- 3.5 In July 2022 the Council's funding was extended until 31 March 2024 to allow for completion of a joint social and economic impact assessment between CFT, PHG and The Novium Museum. Following the completion of the studies, future funding for the cultural organisations will be reviewed.

- 3.6 For the period 2018 – 2023 the ACE NPO funding awarded to CFT £1,740,214 and PHG £89,119 per annum. Both organisations submitted an application for ACE NPO funding for the period 2023-26 and on 4 November 2022 ACE confirmed that CFT had been successful in their NPO application and were granted £1,772,234 per annum for 2023/26. Unfortunately PHG were unsuccessful in their NPO application and their NPO funding was removed from 1 April 2023.
- 3.7 In January 2023 Council agreed to continue to fund PHG for 2023/24 to the full £130,000 following the ACE decision to withdraw future NPO funding.

4. Outcomes to be achieved

- 4.1 In line with the Monitoring Framework there are a number of activities and measurements to be reported to the Council annually with a strong focus on:
- the learning and education programme
 - engagement with under-represented and disadvantages groups and individuals
 - the contribution to the promotion of Chichester as a visitor destination
 - the economic benefits of the cultural organisations.
- 4.2 The current funding agreement comes to an end in April 2024. An economic and social impact assessment are currently being completed to feed into the funding review.
- 4.3 Due to the ongoing impact of covid it was agreed that using data before January 2023 would not give a true picture of the social and economic impact both organisations have on the district. Therefore data for the assessments has been collected for January to December 2023.
- 4.4 Following the submission of the data to consultants, time is required for the analysis, production of the reports and their reviews before being presented to Corporate Governance and Audit Committee, Cabinet and Full Council.

5. Proposal

- 5.1 Due to the timing of the social and economic impact assessment results, it is recommended to Cabinet and Council that the cultural grant for CFT and PHG is extended for a period of one year until 31st March 2025. This will allow time for the impact assessments to be considered by Corporate Governance and Audit Committee in advance of Cabinet and Council to set the budget for 2025-26.

6. Alternatives Considered.

- 6.1 Not applicable.

7. Resource and Legal Implications

- 7.1 Funding for both organisations is already within the base budget however any additional financial support will be subject to a funding service review.
- 7.2 In line with the monitoring framework, CFT and PHG have submitted their accounts to the Council.

7.3 Finance have reviewed the CFT accounts and while they made a loss during the last period, it was less than the previous year and their turnover increased. They have reserves of £5m of which £4.1m are designated reserves, leaving unrestricted funds of £900,000.

7.4 PHG also made a loss during this period which mainly appears to be as a result of donations being lower than budgeted . They have reserves of £33.7m of which £31.3m are designated reserves, £1.7m being from endowments, leaving unrestricted funds of £660,000.

8. Consultation

8.1 Quarterly meetings take place with the theatre and gallery to ensure they are continuing to deliver the requirements of the monitoring framework.

9. Community Impact and Corporate Risk

9.1 The monitoring agreement outlines the areas of activity undertaken by CFT and PHG that demonstrate the benefits to the District generated by the District Council's funding of both cultural organisations. The main risk to this Council is a loss of economic and community benefits if the actions outlined in the monitoring framework are not met.

10. Other implications

	Yes	No
Crime & Disorder:		X
Climate Change and Biodiversity		X
Human Rights and Equality Impact.		X
Safeguarding and Early Help		X
General Data Protection Regulations (GDPR)		X
Health and Wellbeing: The services and targeted work offered by the organisations, as part of the community programme, contribute to a positive effect on the mental and physical wellbeing of customers.	X	

11. Appendices

11.1 None

12. Background Papers

None.