



Leicester
City Council

WARDS AFFECTED: ALL

HERITAGE, LEISURE AND SPORT
SCRUTINY COMMISSION

15 JANUARY 2013

2013/14 BUDGET PROPOSALS

Report of the Strategic Director of City Development and Neighbourhoods

1. Introduction

- 1.1 The purpose of this report is to seek views of the Heritage, Leisure and Sport Scrutiny Commission on the draft budget plans for the Culture, Heritage, Leisure and Sport portfolio.

2. Summary

- 2.1 We are currently in the middle of a period of severe cutbacks to local government funding. Whilst Government plans run as far as 2014/15, it is now evident that further substantial savings will be required in 2015/16 and 2016/17.

- 2.2 In February, 2012, the Council approved a three year budget plan for 2012/13 to 2014/15. Current budget proposals cover the period 2013/14 to 2014/15, and essentially revise and supplement last year's budget strategy. This is intended to provide sufficient time to carry out a full review of the budget prior to 2015/16.

- 2.3 Attached to this report are the draft budget proposals for the Culture, Heritage, Leisure and Sport portfolio. They are purely a draft for consultation. No formal decisions will be made until the proposals, together with scrutiny comments, are considered by the Council in February. The attached documentation includes:

- (a) a summary of the budget approach for the portfolio;
- (b) schedules of proposed growth and reductions;
- (c) Equality Impact Assessment summary;
- (d) standard forms for each proposed growth and reduction item.

Further detailed EIA documents are available for inspection.

- 2.4 The City Mayor and Assistant Mayor have asked for the views of your Commission on the attached budget proposals, and in particular have asked:

- (a) whether your Commission has any alternative proposals it would wish the Executive to consider;
- (b) what your Commission's views are on the budget proposals.

2.5 In giving its views, your Commission is asked to be mindful of the obligation to balance the budget.

3. **Risk Analysis**

Risk	Consequence/ effect	Action/ controls			
			Impact	Probability	Risk Rating
Delay in actioning decisions that reduce cost	Inability to meet budget targets	Project management of proposals	3	2	6
Recession deepens and adversely affects income at leisure/ arts/ performance venues.	Risk to future sustainability of venues. Planned reductions impact on financial instability	Robust planning programming, marketing and collaboration between venues. Financial control and regular reporting to assess and manage risk.	2	3	6

4. **Future Consequences**

4.1 Arts Council England are a key funder of cultural provision in Leicester and provide funding for Museums projects, Curve and Phoenix Square as well as other arts organisations. They are a key strategic partner to Leicester City Council and they expect the Council to continue to provide funding and support for arts and museums provision. Arts Council England will not substitute for funding withdrawn by a local authority. Any significant reduction needs to take into account their views, plans and priorities for future investment.

5. **Consultation**

5.1 The Culture Partnership Board, Sport England, Sports Partnership Board and Arts Council England have been asked to comment on the budget proposals.

5.2 Further work is taking place in January to better understand the equality implications of the proposals:

(a) Consultation will take place in leisure centres to understand the impact of charging £1 for older people's leisure activities, particularly any ramifications for health;

6. Recommendations

6.1 The Commission is asked to consider the draft budget proposals attached and make its comments to the Executive.

7. Financial and Legal Implications

7.1 This report is exclusively concerned with financial issues.

7.2 As this report deals with next year's budget, Section 106 of the Local Government Finance Act, 1992 applies to members in arrears of council tax.

8. Climate Change Implications

8.1 Any climate change implications are identified in the proposals.

9. Other Implications

<u>Other Implications</u>	<u>Yes/No</u>	<u>Paragraph References within Supporting Papers</u>
Equal Opportunities		Equality Impact Assessment (EIA) questionnaires have been completed for each of these proposals. One proposal requires a full EIA and the summary of this is attached.
Policy	No	
Sustainable and Environmental	No	
Crime & Disorder	No	
Human Rights Act	No	
Elderly / People on Low Incomes	Yes	Over 60's concession
Corporate Parenting	No	
Health Inequalities Impact	Yes	Over 60's concession

10. Documents available for Public Inspection

10.1 File of Equality Impact Assessments, located at A13, New Walk Centre.

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Strategic Director
 Extn: 29 7352
 Date: 20 December 2012

Department: City development and neighbourhoods
Portfolio area: Culture, heritage, leisure and sport
Portfolio lead: Assistant city mayor Cllr Piara Singh Clair
Current budget: £12.9m

Portfolio overview

This section of our city development and neighbourhoods department is responsible for many services which improve quality of life, including parks and green spaces, heritage, arts, festivals, museums and the provision of sports activities.

We manage parks and green spaces (which cover 15 per cent of the total area of the city), trees, woodlands, allotments, play areas and bereavement services.

Our conservation services preserve and enhance the city's built heritage, whilst our museums help to tell the story of the cultural heritage of Leicester and its people. We provide free access to museums such as New Walk Museum and Art Gallery and Newarke Houses. We also provide funding for the Leicester and Leicestershire Record Office.

The portfolio takes the lead on arts provision, including funding and delivering a programme of festivals and events, running De Montfort Hall and Fosse Arts, developing contemporary visual art and providing funding for a range of arts organisations including Curve, Phoenix Square and Soft Touch.

In partnership with health organisations, we provide a wide range of sport and physical activity opportunities for Leicester residents, encouraging people to live healthier and more active lifestyles. We have seven leisure centres, two golf courses and a climbing wall.

Service context and budget

Parks and green spaces	£3.7m
Arts and museums	£5.9m
Sports	£3.3m

The portfolio includes many important front-line services. The budget proposals aim to keep any reduction in these services to a minimum and maximise savings through increased income and efficiency.

Sports income and use has certainly been affected by the recession, so we have to find new ways to develop sports services while still keeping them affordable. Opportunities to raise further income in arts and museums are being sought, but the financial climate means this is challenging.

What is being protected and why?

Wherever possible we are protecting our front-line services. We believe it is vital that we continue to provide family-friendly services in our sports, arts, museums, parks and play areas.

We are protecting parks and green spaces. We are maintaining free access to museums, ensuring they remain easily accessible places of education, fun and interest. There has been keen interest in Leicester's heritage through the exciting discovery in relation to Richard III and we want to tell the world more about the 'Story of Leicester'.

We are still keeping all of our sports facilities open and will make sure they continue to provide low-cost facilities for people whose incomes are low or who find it difficult to access sport.

Following the review of our festivals and events, we are continuing to invest in a vibrant programme of festivals and events, and will develop a new Leicester Festival during 2013.

Which budgets are being increased and why?

There are no proposals to increase revenue budgets in this portfolio.

Our approach to the current budget proposals

As the area of city given over to parks, open spaces and trees increases, our parks and green spaces services face budget pressures. We have not made any reductions in this area, but will deliver savings through establishing an in-house soil processing facility.

This year we developed the 'Story of Leicester', setting out our plans to improve museums and heritage interpretation. We have opened up more heritage sites to the public and we have plans to improve our museums as well as tell the exciting story of our royal links to Richard III. We are also focusing on increasing income through museums. These developments mean we are not including any proposals about museums, but will continue to make sure these services are cost-effective.

Our most significant arts investment is in three venues – Curve, Phoenix Square and De Montfort Hall – each of which are valued and which play an important part in the life of the city. The Scrutiny Commission is completing a review into value for money of these facilities, and their evidence-gathering has helped to inform our proposal to undertake a significant review in this area. This will identify options for a new business model through shared staffing, systems and management, in order to reduce public subsidy without having a negative impact on the overall quality of these three important venues.

Now that the Olympics has come to an end, we propose to remove the big screen in Humberstone Gate from the city centre.

We are also introducing a small charge to people over 60 who currently use our leisure centres for free, while still keeping it very affordable.

The city council, like all local authorities, faces a climate of very severe cuts to its funding in the coming years. Consequently, decisions to make savings have been taken during the course of the year where this makes sense, without waiting for the formal budget. This has reduced the amount of cuts required in the budget.

Culture, heritage, leisure and sport - budget savings proposals

		Impact of the proposal on the budget		
	Description of proposal	Budget 2012/13 £000's	2013/14 £000's	2014/15 £000's
CN 1	Remove the big screen in Humberstone Gate	45	0	(45)
CN 2	Identify further savings from DMH, Curve and Phoenix and in-house staffing, including options for greater sharing of management, staff and systems.	2,192	(30)	(190)
CN 3	Charge £1 per visit to over-60s living in the city for use of leisure facilities, replacing the current free access.	0	(40)	(40)
E2	Develop a soil processing facility so that soil removed from parks can be reused	3,656	0	(50)
BUDGET PROPOSALS			(70)	(325)
IN YEAR SAVINGS/MANAGEMENT ACTION			(140)	(160)
NET TOTAL			(210)	(485)

Equality impact assessment				
Portfolio:		Culture, heritage, leisure and sport		
Portfolio lead:		Assistant city mayor Cllr Piara Singh Clair		
Proposal	Notes on significant impact		Further action required	Mitigating actions being considered
	Protected characteristics	Details of impact		
To charge city residents aged 60 and over £1 per visit to leisure centres, in place of the current free access	Age (people aged 60 and over)	There are 9,287 individuals (60 and over) who currently benefit from this scheme and in total 136,000 visits take place each year. This includes visits from people who are not city residents and who pay the full rate. In future city residents will have to pay £1 per visit, rather than having free access.	Consultation will be carried out with users.	The £1 flat rate charge continues to offer customers a substantial discount on normal admission charges.

CULTURE, HERITAGE, LEISURE AND SPORT PORTFOLIO
GENERAL FUND BUDGET REDUCTION PROPOSAL 2013/14

DIVISION AND SERVICE:	Culture and Neighbourhood Services: Arts and Museums	Proposal No:	CN 1
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What does the service do?

Manages Leicester's festivals and events programme; De Montfort Hall; participatory and public art; museums, galleries, historic sites, heritage development and museum collections.

Details of Proposed Reduction and effective dates:

Remove the Big Screen during 2013/14, originally put in with funding from the London Organising Committee for the Olympic Games (LOCOG) to support the Olympics 2012. Initial savings will be used to fund the removal costs. Implementation from April 2013.

Type of Reduction:

Efficiency	<input type="checkbox"/>	Service Reduction	<input checked="" type="checkbox"/>
Decision already taken	<input type="checkbox"/>	Price Increase	<input type="checkbox"/>
		Other	<input type="checkbox"/>

Service Implications of Proposed Reduction:

The screen is linked to the Cultural Olympiad which will come to an end in 2013.

N.B. Budget and staffing figures are those assigned currently for the activity within the Festivals & Events cost centre.

Consultation carried out or required

Consultation will be carried out with the Culture Partnership Board, BBC and Arts Council England.

Financial Implications of Proposal

	<u>2012/13</u>	<u>2013/14</u>	<u>2014/15</u>	<u>Full Year</u>
	<u>Budget</u>			
	£000s	£000s	£000s	£000s
	<u>Proposed Reduction</u>			
Staff	24		24	24
Non-Staff Costs	21		21	21
Income				
Net Total	45		45	45
<u>Staffing Implications</u>	<u>2012/13</u>	<u>2013/14</u>	<u>2014/15</u>	<u>Full Year</u>
Current Service Establishment (FTE)	1			
Post(s) deleted (FTE)			1.0	1.0
Current Vacancies (FTE)	0.5			
Individuals at Risk (FTE)				

Sustainability Assessment:

Some impact - carbon emissions will be reduced as a result of not using electricity to power the Big Screen.

Now complete an EIA screening questionnaire; and, if necessary, an EIA.

CULTURE, HERITAGE, LEISURE AND SPORT PORTFOLIO
GENERAL FUND BUDGET REDUCTION PROPOSAL 2013/14

DIVISION AND SERVICE:	Culture and Neighbourhood Services: Arts and Museums	Proposal No:	CN2
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What does the service do?

Manages Leicester's festivals and events programme; De Montfort Hall; participatory and public art; museums, galleries, historic sites, heritage development and museum collections.

Details of Proposed Reduction and effective dates:

To identify savings from the subsidies of De Montfort Hall, Curve and Phoenix through a review of systems, staffing and options for shared management. Will take between 12 and 18 months to fully implement.

Type of Reduction:

Efficiency	<input checked="" type="checkbox"/>	Service Reduction	<input type="checkbox"/>
Decision already taken	<input type="checkbox"/>	Price Increase	<input type="checkbox"/>
		Other	<input type="checkbox"/>

Service Implications of Proposed Reduction:

A review during 2013 will identify options for budget reductions including from systems, staffing and shared management.

N.B. Budget shown is the current budget for the three venues. The staffing figure relates only to De Montfort Hall staff.

Consultation carried out or required

The review will be carried out in close consultation with Phoenix, Curve, DMH and their key stakeholders/funders, including Arts Council England, DMU and the Culture Partnership Board.

Financial Implications of Proposal

<u>2012/13</u>	<u>2013/14</u>	<u>2014/15</u>	<u>Full Year</u>
<u>Budget</u>			
£000s	£000s	£000s	£000s

	<u>Proposed Reduction</u>			
Staff	-			
Non-Staff Costs	-	30	190	190
Income	-			
Net Total	2,192	30	190	190

Staffing Implications

	<u>2012/13</u>	<u>2013/14</u>	<u>2014/15</u>	<u>Full Year</u>
Current Service Establishment (FTE)	33			
Post(s) deleted (FTE)				
Current Vacancies (FTE)				
Individuals at Risk (FTE)				

Sustainability Assessment:

No impact identified at present. Dependent on options identified in the review.

CULTURE, HERITAGE, LEISURE AND SPORT PORTFOLIO
GENERAL FUND BUDGET REDUCTION PROPOSAL 2013/14

DIVISION AND SERVICE: Culture and Neighbourhood Services: Sport Services	Proposal No: CN 3
<u>What does the service do?</u> Provide health and wellbeing opportunities to City residents and develop sport and health outcomes.	
<u>Details of Proposed Reduction and effective dates:</u> Since 2008 people aged 60 and over have been offered free access to Leisure Centre activities if they are City residents. It is proposed that this offer is removed and a £1.00 flat rate for city customers over 60 is charged in its place. This change would be implemented on 1 April 2013.	
<u>Type of Reduction:</u>	
Efficiency <input type="checkbox"/>	Service Reduction <input type="checkbox"/>
Decision already taken <input type="checkbox"/>	Price Increase <input checked="" type="checkbox"/>
	Other <input type="checkbox"/>
<u>Service Implications of Proposed Reduction:</u> There are 9,287 individuals who currently benefit from this scheme. There are 136,000 usages by 60+ customers that use facilities in Leisure Centre each year. A percentage of these are County based customers who pay a full rate. Charging £1.00 will achieve in the region of £40,000 each year in additional income while still enabling older city residents to use city council's leisure facilities at a greatly reduced rate.	
<u>Consultation carried out or required</u> Consultation will take place with the Sports Partnership Board and Sport England.	
<u>Financial Implications of Proposal</u>	
	<u>2012/13</u>
	<u>Budget</u>
	£000s
	<u>2013/14</u>
	£000s
	<u>2014/15</u>
	£000s
	<u>Full Year</u>
	£000s
	<u>Proposed Reduction</u>
Staff	
Non-Staff Costs	
Income	40
Net Total	40
	40
	40
<u>Staffing Implications</u>	<u>2012/13</u>
	<u>2013/14</u>
	<u>2014/15</u>
	<u>Full Year</u>
Current Service Establishment (FTE)	0
Post(s) deleted (FTE)	0
Current Vacancies (FTE)	0
Individuals at Risk (FTE)	0
<u>Sustainability Assessment:</u> No impact.	

Now complete an EIA screening questionnaire; and, if necessary, an EIA.

CULTURE, HERITAGE, LEISURE AND SPORT PORTFOLIO
GENERAL FUND BUDGET REDUCTION PROPOSAL 2013/14

DIVISION AND SERVICE: ENVIRONMENTAL AND ENFORCEMENT SERVICES- Parks and Greenspaces		Proposal No: E2			
<u>What does the service do?</u>					
Provision of a wide range of services including the management of parks and green spaces, trees and woodlands and bereavement services.					
<u>Details of Proposed Reduction and effective dates:</u>					
Efficiency savings through the development of a soil processing facility that will reduce net expenditure on the disposal of excavated material and the purchase of clean topsoil					
<u>Type of Reduction:</u>		Efficiency	<input checked="" type="checkbox"/>	Service Reduction	<input type="checkbox"/>
Decision already taken	<input type="checkbox"/>	Price Increase	<input type="checkbox"/>	Other	<input type="checkbox"/>
<u>Service Implications of Proposed Reduction:</u>					
None					
<u>Consultation carried out or required</u>					
None					
<u>Financial Implications of Proposal</u>		<u>2012/13</u>	<u>2013/14</u>	<u>2014/15</u>	<u>Full Year</u>
		<u>Budget</u>			
		£000s	£000s	£000s	£000s
			<u>Proposed Reduction</u>		
Staff	3,663				
Non-Staff Costs	2,021	0	50		50
Income	(2,028)				
Net Total	3,656	0	50		50
<u>Staffing Implications</u>		<u>2012/13</u>	<u>2013/14</u>	<u>2014/15</u>	<u>Full Year</u>
Current Service Establishment (FTE)	N/A				
Post(s) deleted (FTE)		0	0		0
Current Vacancies (FTE)	N/A				
Individuals at Risk (FTE)	N/A				
<u>Sustainability Assessment:</u>					
This will reduce carbon emissions overall, by reducing the amount of material sent to landfill and by reducing the transportation of both this and purchased topsoil.					

Now complete an EIA screening questionnaire; and, if necessary, an EIA.