



Brighton & Hove  
City Council

# Overview & Scrutiny

Title:	<b>Culture, Tourism &amp; Enterprise Overview &amp; Scrutiny Committee</b>
Date:	<b>26 January 2011</b>
Time:	<b>2.00pm</b>
Venue	<b>Council Chamber, Hove Town Hall</b>
Members:	<b>Councillors:</b> Kennedy (Chair), Drake (Deputy Chairman), Davis, Harmer-Strange, Marsh, C Theobald, Turton and Randall
Contact:	<b>Julia Riches/Karen Amsden Scrutiny Support Officer</b>  julia.riches@brighton-hove.gov.uk/karen.amsden@brighton-hove.gov.uk

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**AGENDA**

<b>Part One</b>	<b>Page</b>
<b>44. PROCEDURAL BUSINESS</b>	<b>1 - 4</b>
<b>45. MINUTES FROM THE MEETING HELD ON 25TH NOVEMBER 2010</b>	<b>5 - 10</b>
<b>46. CHAIRMAN'S COMMUNICATIONS</b>	
<b>47. PETITIONS/PUBLIC QUESTIONS/LETTERS FROM COUNCILLORS/WRITTEN QUESTIONS FROM COUNCILLORS/REFERRALS FROM COMMITTEES/NOTICES OF MOTION REFERRED FROM COUNCIL</b>	
<b>48. SCRUTINY OF BUDGET PROPOSALS</b>	<b>11 - 82</b>
Report of the Strategic Director Resources	
<i>Contact Officer: Tom Hook</i>	<i>Tel: 29-1110</i>
<i>Ward Affected: All Wards</i>	
<b>49. ITEMS TO GO FORWARD TO CABINET OR THE RELEVANT CABINET MEMBER MEETING OR FULL COUNCIL</b>	
<b>PART TWO</b>	
<b>50. MAJOR PROJECTS UPDATE</b>	<b>83 - 96</b>

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For further details and general enquiries about this meeting contact Julia Riches (email [julia.riches@brighton-hove.gov.uk](mailto:julia.riches@brighton-hove.gov.uk)) or email [scrutiny@brighton-hove.gov.uk](mailto:scrutiny@brighton-hove.gov.uk)





## Agenda Item 44

### To consider the following Procedural Business:-

#### A. Declaration of Substitutes

Where a Member of the Commission is unable to attend a meeting for whatever reason, a substitute Member (who is not a Cabinet Member) may attend and speak and vote in their place for that meeting. Substitutes are not allowed on Scrutiny Select Committees or Scrutiny Panels.

The substitute Member shall be a Member of the Council drawn from the same political group as the Member who is unable to attend the meeting, and must not already be a Member of the Commission. The substitute Member must declare themselves as a substitute, and be minuted as such, at the beginning of the meeting or as soon as they arrive.

#### B. Declarations of Interest

- (1) To seek declarations of any personal or personal & prejudicial interests under Part 2 of the Code of Conduct for Members in relation to matters on the Agenda. Members who do declare such interests are required to clearly describe the nature of the interest.
- (2) A Member of the Overview and Scrutiny Commission, an Overview and Scrutiny Committee or a Select Committee has a prejudicial interest in any business at meeting of that Committee where –
  - (a) that business relates to a decision made (whether implemented or not) or action taken by the Executive or another of the Council's committees, sub-committees, joint committees or joint sub-committees; and
  - (b) at the time the decision was made or action was taken the Member was
    - (i) a Member of the Executive or that committee, sub-committee, joint committee or joint sub-committee and
    - (ii) was present when the decision was made or action taken.
- (3) If the interest is a prejudicial interest, the Code requires the Member concerned:-

- (a) to leave the room or chamber where the meeting takes place while the item in respect of which the declaration is made is under consideration. [There are three exceptions to this rule which are set out at paragraph (4) below].
  - (b) not to exercise executive functions in relation to that business and
  - (c) not to seek improperly to influence a decision about that business.
- (4) The circumstances in which a Member who has declared a prejudicial interest is permitted to remain while the item in respect of which the interest has been declared is under consideration are:-
- (a) for the purpose of making representations, answering questions or giving evidence relating to the item, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise, BUT the Member must leave immediately after he/she has made the representations, answered the questions, or given the evidence,
  - (b) if the Member has obtained a dispensation from the Standards Committee, or
  - (c) if the Member is the Leader or a Cabinet Member and has been required to attend before an Overview and Scrutiny Committee or Sub-Committee to answer questions.

**C. Declaration of Party Whip**

To seek declarations of the existence and nature of any party whip in relation to any matter on the Agenda as set out at paragraph 8 of the Overview and Scrutiny Ways of Working.

**D. Exclusion of Press and Public**

To consider whether, in view of the nature of the business to be transacted, or the nature of the proceedings, the press and public should be excluded from the meeting when any of the following items are under consideration.

*NOTE: Any item appearing in Part 2 of the Agenda states in its heading the category under which the information disclosed in the report is confidential and therefore not available to the public.*

*A list and description of the exempt categories is available for public inspection at Brighton and Hove Town Halls.*





BRIGHTON & HOVE CITY COUNCIL

CULTURE, TOURISM & ENTERPRISE OVERVIEW & SCRUTINY COMMITTEE

4.00PM 25 NOVEMBER 2010

COUNCIL CHAMBER, HOVE TOWN HALL

MINUTES

**Present:** Councillors Kennedy (Chair); Drake (Deputy Chairman), Davis, Harmer-Strange, Marsh, C Theobald and Morgan

**PART ONE**

**28. PROCEDURAL BUSINESS**

**Substitutes**

Councillor Warren Morgan for Councillor Craig Turton

**Declarations of Interest**

Councillor Mo Marsh declared an interest as a member of the Brighton Dome & Festival Board.

**Exclusion of the press and public**

In accordance with section 100A(4) of the Local Government Act 1972, it was considered whether the press and public should be excluded from the meeting during the consideration of any items contained in the agenda, having regard to the nature of the business to be transacted and the nature of the proceedings and the likelihood as to whether, if a member of the press and public were present, there would be disclosure to them of confidential or exempt information as defined in section 1001(1) of said Act.

***RESOLVED – that the press and public are not excluded.***

**29. MINUTES OF THE PREVIOUS MEETING**

***RESOLVED – that the minutes of the meeting on 30 September be approved and signed by the Chair.***

**30. CHAIR'S COMMUNICATIONS**

The Chair told the Committee about Ride the Wave, a new programme of free support to help local businesses grow and thrive during the tough economic climate. A series of workshops were being held – the first was on 18 November and was a great success.

The Ice Rink had received national coverage and was rated the second best in the country by the Financial Times. A new exhibition *Capturing Colour: Film, Invention and Wonder* was opening on 4 December and the 355.0rg sculpture would be on Hove Lawns this weekend.

White Night had been an overwhelming success with an audience of around 40,00 and all events at full capacity. The Sealife Centre broke all previous records for attendances, and the indication is that the BPB events did as well. The Midnight half marathon was fully booked and all 330 people turned up to race. Each event – 63- was created especially for the festival and included 10 new commissions from local artists. The Chair hoped that funding could be found to allow White Night to continue in future years.

**31. PUBLIC QUESTIONS**

There were none.

**32. WRITTEN QUESTIONS FROM COUNCILLORS**

There were none.

**33. LETTERS FROM COUNCILLORS**

There were none.

**34. THE STRATEGIC DIRECTOR OF COMMUNITIES**

This item was taken before Item 29.

The Strategic Director: Communities introduced himself to the Committee and informed them he would be attending all future meetings. He apologised that diary commitments meant he could not stay for this meeting.

**35. PRESENTATION ON THE BRIGHTON DOME AND FESTIVAL**

Andrew Comben, Chief Executive of Brighton Dome & Festival informed the Committee that this year's festival had been a great success with 74,000 tickets - the highest ever amount sold. The guest curator, Brian Eno, had had a huge impact. There had been 230 performances over 3 weeks, with dreamthinkspeak extended beyond the festival for a further 6 weeks. 13,000 people attended the dreamthinkspeak installation at the old Co-op building on the London Road. In total, 949 people were employed by companies and there were 350 volunteers during the festival. dreamthinkspeak employed 120 people from October 2009 until July 2010 and involved 131 volunteers. The impact of the festival on the city is enormous – not only artistically, but economically and financially.

65% of the audience were from Brighton & Hove, demonstrating the local base. There had been a 37% increase beyond the catchment area this year, indicating the impact of Brian Eno. The balance between the Brighton & Hove audience and tourism had worked well this year.

Mr Comben then played a DVD to the Committee giving highlights from the Sky Arts Show (that had focused on Hofesh Shechter) and from the Culture Show that had based itself in Brighton for the festival.

The Committee congratulated Mr Comben and his team on such a fantastic and successful event. Following questions, Mr Comben told the Committee that some of the experimental work and rock and pop events were bringing in a younger audience. 92% of those who attended *No Fit State* on The Level were from Brighton & Hove and 17% were welfare dependent. There were 120,000 people who attended free events, including 33,00 at Brian Eno's 77million

paintings. Mr Comben also confirmed that there was a late train arranged back to London during the festival, and New Writing South had delivered poetry workshops on this train.

The Chair thanked Mr Comben for his very informative presentation and congratulated him and his team on behalf of the Committee.

### **36. PRESENTATION BY MYTIME ACTIVE ON GOLF COURSES**

Mr Toby Kingsbury, Sports Facilities Manager, introduced members of the management team from mytimeactive: Mr Stephen Blake, Director of Golf, Mr Michael Weekes, mytime Group Course Manager, and Mr Cameron McKillop, General Manager. Mr Blake gave a presentation (for copy see minute book).

Mytimeactive were a not for profit charitable trust that had to make a surplus to re-invest the profits. They operated 26 facilities and managed 10 golf courses on 6 different contracts. They were a successful social enterprise. At Hollingbury Golf Course the visitor numbers were up 43% from last year, although numbers were slightly down at Waterhall. They had reduced prices at Waterhall to encourage more visitors. Existing members had responded positively to the improvements in the interior and in customer service. New tills and online booking had been introduced.

Four schools to date had free school coaching with eight scheduled for next year. Out of the four schools, two junior members had joined. The inter-school golf competition had involved 20 schools.

Around £300,000 had been spent on new course equipment which had resulted in improved playing services and had also led to a very positive feedback from the course staff. In terms of the club house development, at Hollingbury phase 1 had been completed and had increased the secondary spend. Subject to planning permission, phase 2 would create a balcony to make the most of the fantastic views.

Following questions, Mr Blake explained that Waterhall and Hollingbury were different entities - the budget and higher end of the market respectively. A question was asked about encouraging people with learning or physical disabilities and Mr Blake told the Committee that they were looking into promoting buggy routes. Mr Kingsbury explained that the Council's team would help mytimeactive engage with the traditionally harder-to-reach.

In response to a question, Mr Blake told the Committee that they hoped that in twelve months time the course at Hollingbury would be of a sufficient standard to host regional events. Following a request for an update in 12 months time, mytimeactive agreed to an update and it was suggested that the Committee may wish to visit the golf courses next year.

The Chair thanked mytimeactive for an interesting presentation and welcomed the offer of a visit and an update next year.

### **37. UPDATE FROM ENVIRONMENTAL INDUSTRIES**

Ms Paula Murray presented the report. An Economic Development officer had been appointed who will be responsible for sub-sectoral development, working with the environmental industries and the creative industries. Many of the other recommendations will flow from the

work of this officer. A recent business survey conducted as part of the Business Retention and Inward Investment (BRII) work backed up the anecdotal evidence of the Scrutiny Report. Two other strategies were being revisited, the Sustainable Communities Strategy, and the City and Employment Skills Plan (CESP). The CESP particularly highlighted the environmental industries. The issue of workspace was already on the agenda but the BRII Board has stepped up the focus on this. On the recommendation that the Council supported the new Environmental Innovation Network, this had unfortunately stalled when the funding from the Innovation and Growth Team was withdrawn. It was recognised that a network was very useful and other funding options were being explored.

One third of the places found through the Future Jobs Fund apprenticeship scheme had been in environmental industries. This funding was ending in March 2011. A European bid was underway for other funding. This would be for apprenticeships but was a different structure to the Future Jobs Fund.

Following questions, Ms Murray explained that the new Economic Development post was a change to an existing post. This had gone through the Council's redeployment process and consequently had taken longer to finalise. A question was asked encouraging the refurbishment of commercial space. The Chair of the BRII Board, Councillor Ayas Fallon-Khan (Cabinet Member for Enterprise, Employment and Major Projects) was present at the meeting. He told the Committee that they were looking at more creative ways to release land. They were contacting those that owned large amounts of land in the city to see if they were willing to increase their office space. Out of four contacted, there was one planning application due to be submitted. Cllr Fallon-Khan informed the Committee that at Shoreham Harbour they were looking at more economic regeneration than housing. Additionally, although the Local Enterprise Partnerships (LEPs) were designed geographically, they were working with others outside of the LEP. Environmental industries and retention of students were high on the agenda.

The Chair thanked Cllr Fallon-Khan for his input.

***RESOLVED – to note the contents of the report and the planned actions for developing the sector in Brighton & Hove.***

### **38. SUSTAINABILITY GUIDELINES**

Ms Jayne Babb introduced the report. The outdoor events team were awarded BS8901 in August 2010. Combined certification of BS8901 and ISO 14001 was awarded to the indoor venues team. Brighton & Hove were the first local authority to have the joint standard.

The standard requires a Sustainable Environmental Management System (EMS) for outdoor events. This had three sides to it: environmental impact, social impact and economic impact. Ms Babb told the Committee they were developing smaller assessments for community events in addition to the detailed form required by large events. Achieving BS8901 was the start and the standard will now be implemented. There would be some handholding for a while as the standard was rolled out. 19 outdoor places are licensed but the standard applied to all open spaces. They will also be looking to see if local contractors and suppliers are being used.

There was a Sustainability Steering Committee which involved officers across the council working to share best practice and looking at the process as it evolved. In response to

questions, Ms Babb explained that new events were already thinking about the issues and it would be more of a challenge for the long-established events that would need to think differently. She explained that the list of events appended to the report included bold type for major events and that other small items were on the list when the organisers had filled in an event application form asking to hold an event in a public space.

The Chair congratulated all those involved in achieving the certification and requested that the Committee have an update in a further 12-18 months. The Committee agreed to add to the existing recommendation of noting in the report a record of the Committee's thanks and support to those involved.

**RESOLVED: to note the achievement for BS8901: specification for a sustainability management system for events; and to extend thanks and support to all those involved.**

### **39. LOCAL AREA AGREEMENT - 2010/11**

Mr Richard Miles gave a verbal update to the Committee on the Local Area Agreement (LAA). There have been substantial changes and the national framework has been largely cancelled by the Government. The LAA was in its last six months (2008-2011) and has been an important framework for performance partnership working. The control of the LAA has been handed to local authorities so it was now down to local authorities to amend or drop targets. The performance reward grant has also been abolished (around £2m). The Public Service Board were putting together a framework to ensure joint working.

Mr Miles introduced a briefing paper on those Not in Education, Employment or Training (NEETs). NEET figures had been dropping and the city compared well with other cities. The key issue was that people were dropping out of employment. Jobcentre Plus reported that appointments for under 18s were very rare. They were working with City Curriculum 2015, and there were discussions in schools about KS4 engagement to try and increase engagement. The On2Brand was the successor to Entry to Employment (E2E) and information on this was going to the Children Service's Board in December.

The Chair thanked Mr Miles and emphasised the need to work with employers to invest in young people.

### **40. SCRUTINY PANEL REPORT ON CULTURAL PROVISION FOR CHILDREN**

The Chair of the Scrutiny Panel, Councillor Melanie Davis, introduced the report. She expressed her thanks to her fellow Councillors and the Scrutiny Officer. She explained that the drivers behind the Panel were how important this area of provision was for young people and exploring ways to extend that, plus the fact that funding for the Express Strategy for the arts had not been forthcoming. The Panel discovered that whilst there were many great events and activities, it was not always easy to find out about this and to access them. The recommendations in the report were aimed at including as many children as possible and encouraging more joined-up working. A more coherent approach to helping all young people to engage in arts and cultural activities across the city was required. Cllr Davis also welcomed the recent audit undertaken by Children's Services that had occurred during the Panel's inquiry.

As a Panel Member, Councillor Carol Theobald expressed her support for the report and gave her thanks to all those who had been involved in the Inquiry. She commented that there was a

lot going on in the city, but often not enough schools were involved. More publicity and a new website could help. There was also a recommendation that there should be a visible central notice board in the Jubilee Library.

Other Councillors on the Committee welcomed the report and agreed with the recommendations. They remarked on the need to work more closely with schools, the value of arts and cultural events, and the theme of inclusion.

The report would also be forwarded to both the Cabinet Member for Culture, Recreation and Tourism and for Children and Young People for executive response.

The Chair informed the Committee that there would be a report back in 12 months time.

***RESOLVED – the Committee endorsed the Scrutiny Panel Report on Cultural Provision for Children and Young People.***

#### **41. WORK PROGRAMME**

The Chair introduced the work programme. The next meeting of the Committee was 26 January 2011 at 2pm to consider the budget papers.

It was agreed to ask Tony Mernagh, Chair of the Brighton & Hove Economic Partnership to a future meeting.

#### **42. ITEMS TO GO FORWARD TO CABINET OR THE RELEVANT CABINET MEMBER MEETING**

The Scrutiny Panel Report on Cultural Provision for Children and Young People was referred to Cabinet or the relevant Cabinet Member Meeting.

#### **43. ITEMS TO GO FORWARD TO COUNCIL**

There were none.

The meeting concluded at 6.10pm

Signed

Chair

Dated this

day of

# **CULTURE, TOURISM & ENTERPRISE OVERVIEW AND SCRUTINY COMMITTEE**

## **Agenda Item 48**

Brighton & Hove City Council

**Subject:** Scrutiny of Directorate Budget Strategies

**Date of Meeting:** 26 January 2011

**Report of:** Strategic Director Resources

**Contact Officer:** Name: Tom Hook Tel: 29 -1110

E-mail: Tom.hook@brighton-hove.gov.uk

**Wards Affected:** All

### **FOR GENERAL RELEASE**

#### **1. SUMMARY AND POLICY CONTEXT:**

1.1 This report gives CTEOSC the opportunity to scrutinise the proposed directorate budget strategies relevant to environment and community safety and in particular:

- Major Projects
- Economic Regeneration
- Culture, Arts and Heritage
- Tourism & Marketing
- Libraries and Museums
- Events
- Leisure, Sports and Recreation

1.2 'Budget update and budget strategies 2011/2012' was presented to 9 December Cabinet; the extract relevant to CTEOSC appears as Appendix A to this report.

1.3 For information reports on fees and charges are included as Appendices B, C, D and E to this report.

#### **2. RECOMMENDATIONS:**

2.1 That the committee comments upon the draft budget strategies as appended to this report.

- 2.2 That the committee forwards its comments to the Overview and Scrutiny Commission (OSC) meeting of the 1 February 2011 to be incorporated into a single scrutiny response to the budget.

### 3. BACKGROUND INFORMATION

- 3.1 Similarly to 2009/2010, each overview and scrutiny committee is being presented with the opportunity to scrutinise the budget proposals as they relate to their area of responsibility and forward comments to the OSC on 1 February 2011.
- 3.2 The OSC will produce a single scrutiny response to the draft budget strategies that will be considered at Cabinet alongside a number of other budget related items on 17 February 2011.
- 3.3 The full timetable for the budget setting process, as reported to 22 July 2010 Cabinet, is set out in the table below.

<b>2011/12 Budget Timetable</b>		
Date	Meeting	Papers
17 <sup>th</sup> June 2010 22 <sup>nd</sup> June 2010 1 <sup>st</sup> July 2010	Cabinet Emergency Budget announced Budget Review Group	Report on in year grant reductions
22 <sup>nd</sup> July 2010	Cabinet	Budget update and budget process report In year grant reductions report
2 <sup>nd</sup> Dec 2010 9 <sup>th</sup> Dec 2010 14 <sup>th</sup> Dec 2010	Most likely date for settlement Cabinet OSC	Budget strategies Budget Strategies
6 <sup>th</sup> Jan 2011 20 <sup>th</sup> Jan 2011 25 <sup>th</sup> Jan 2011 26 <sup>th</sup> Jan 2011 26 <sup>th</sup> Jan 2011	ASCOSC Cabinet ESCOSC CTEOSC CYPOSC	Budget Strategies Tax base report Budget Strategies Budget Strategies Budget Strategies
1 <sup>st</sup> Feb 2011 [3 <sup>rd</sup> Feb 2011] 10 <sup>th</sup> Feb 2011 17 <sup>th</sup> Feb 2011	OSC East Sussex Fire Authority Sussex Police Authority Budget Cabinet	Budget Strategies Date to be confirmed Overall budget package
3 <sup>rd</sup> March 2011	Budget Council	Overall budget package



- 3.4 Appendix A are relevant extracts from the report considered at the 9 December 2010 Cabinet meeting.
- 3.5 Appendices B, C, D and E are Cabinet Members reports on fees and charges respectively on: Royal Pavilion & Museums; Libraries, Venues and Seafront.

#### **4. CONSULTATION**

- 4.1 No formal consultation has been undertaken in regard to this report.

#### **5. FINANCIAL & OTHER IMPLICATIONS:**

##### Financial Implications:

- 5.1 There are no financial implications arising directly from this report, however members should take account of the financial implications in the appended report.

##### Legal Implications:

- 5.2 There are no legal implications arising directly from this report, however members should take account of the legal implications in the appended report.

##### Equalities Implications:

- 5.3 There are no equality implications arising directly from this report, however members should take account of the equality implications in the appended report.

##### Sustainability Implications:

- 5.4 There are no sustainability implications arising directly from this report, however members should take account of the sustainability implications in the appended report.

##### Crime & Disorder Implications:

- 5.5 There are no crime and disorder implications arising directly from this report, however members should take account of the crime and disorder implications in the appended report.

##### Risk and Opportunity Management Implications:

- 5.6 There are no risk and opportunity management implications arising directly from this report, however members should take account of the risk and opportunity management implications in the appended report.

##### Corporate / Citywide Implications:

- 5.7 There are no corporate/citywide implications arising directly from this report, however members should take account of the corporate/citywide implications in the appended report.

## **SUPPORTING DOCUMENTATION**

### **Appendix:**

- A. Extracts from the 9 December Cabinet Paper – Budget Update and Directorate Budget Strategies
- B. Report on Royal Pavilion & Museums Fees and Charges to 21 September 2010 Culture Recreation and Tourism CMM plus extract from the draft minutes.
- C. Report on Libraries Fees and Charges to 7 December 2010 Culture Recreation and Tourism CMM plus extract from the draft minutes.
- D. Report on Venues Fees and Charges to 7 December 2010 Culture Recreation and Tourism CMM plus extract from the draft minutes.
- E. Report on Seafront Fees and Charges to 7 December 2010 Culture Recreation and Tourism CMM plus extract from the draft minutes.

### **Documents in Members' Rooms/ Background Documents:**

There are none.

# **CULTURE, TOURISM & ENTERPRISE OVERVIEW AND SCRUTINY COMMITTEE**

## **Agenda Item 48 Appendix A**

Brighton & Hove City Council

**Subject:** Budget Update & Budget Strategies 2011/12  
**Date of Meeting:** Cabinet 9 December 2010  
CTEOSC 26 January 2011  
**Report of:** Director of Finance  
**Contact Officer:** Name: Mark Ireland Tel: 29-1240  
James Hengeveld 29-1242  
E-mail: mark.ireland@brighton-hove.gov.uk  
james.hengeveld@brighton-hove.gov.uk  
**Key Decision:** Yes Forward Plan No: CAB17749  
**Wards Affected:** All

### **FOR GENERAL RELEASE**

#### **1. SUMMARY AND POLICY CONTEXT**

- 1.1 This report has been prepared at a time of significant uncertainty about the Council's funding position for 2011/12. While the Comprehensive Spending Review (CSR) gave indications about the national position for local government, it will not be until the Local Government Finance Settlement is announced that the Council will be able to move past speculation and onto more robust financial planning. If the Settlement is received before the 9<sup>th</sup> December then an addendum report will be issued to update Cabinet on the position as far as possible. The major changes expected to specific grants, of which the Council is currently in receipt of circa £85m, may mean that it is several weeks before the detailed position is clearly understood.
- 1.2 This report updates Cabinet on the progress made in planning for 2011/12 based on the assumptions set out in the July 2010 Cabinet report, which projected that savings of £10.4m would be needed in the mainstream budget and £10.8m in budgets funded by specific grants. Good progress has been made and if those assumptions had been broadly right then this report would have set out, in high level terms, the Cabinet's proposals to achieve a balanced General Fund Revenue Budget for 2011/12. The savings package set out in this report is £12.3m. This lower figure reflects detailed reviews of the service pressures bringing them down where possible, protection of the Supporting People budget and uncertainty about the future of various specific grants in particular grants for children's services. However, the scale of the reductions expected in Formula Grant, the front loading and the position in respect of specific grants is sufficiently different for a great deal more work to be required before a full set of proposals can be made by Cabinet. This report therefore represents work in progress and it is expected that revisions will be needed to these proposals as well as additional

ones made. However it was felt important to publish this work to date in order to be open about the issues under consideration and to enable Scrutiny to consider them as far as possible.

- 1.3 The Council was always clear that a great deal of specific grant funding was due to come to an end this year and has been planning accordingly. In most circumstances that funding supported one off initiatives. In a small number of cases that funding has supported activities that are potentially core business and the Council therefore has choices to make about whether it will provide replacement funding from its revenue budgets. The scale of the changes to specific grants and the removal of most ringfence mean that the Council has more choice and discretion in this area, albeit in a context of a significant overall reduction in resources.

## **2. RECOMMENDATIONS:**

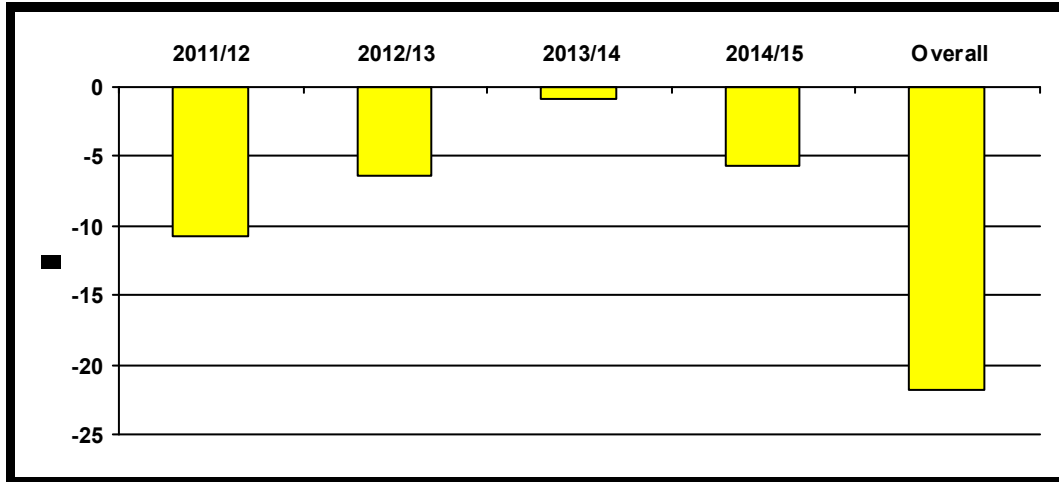
- 2.1 That Cabinet notes the high level assessment of the implications of the CSR on the national funding position for local government as set out in paras 3.1-3.6.
- 2.2 That Cabinet notes that an addendum to this report will be issued setting out the anticipated resources available to the Council if the Local Government Finance Settlement is issued prior to 9 December 2010.
- 2.3 That Cabinet considers and agrees the principles on which the General Fund Revenue Budget for 2011/12 is being prepared as set out in para 3.12.
- 2.4 That Cabinet considers and agrees the proposed approach for using reserves as part of a balanced financial strategy to deal with the Council's uniquely challenging financial position for 2011/12 as set out in para 3.17.
- 2.5 That Cabinet considers and notes the initial budget strategies for each service, developed on the basis of the original financial planning assumptions as set out in Appendix 2.
- 2.6 That Cabinet notes that those outline budget strategies will be subject to significant revision and update once the Council's resource position is more clearly understood.

## **3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS**

### ***Spending Review announced on 20 October 2010***

- 3.1 The spending review set out the total amount of funding to be received by local authorities in England through the formula grant over the next 4 years. The chart below shows the planned reductions for each year in particular the unexpected front loading of reductions in 2011/12. The council is at the grant floor and will receive £109m in formula grant in 2010/11 and the equivalent of £130m after including the specific grants which will now be allocated as part of the formula grant as listed in appendix 1. The Local

Government Finance Settlement will set out how much formula grant the council will receive in 2011/12 and future years.



- 3.2 The spending review had limited detail of the future of a wide range of specific grants although it did say that the ring-fence around nearly all grants would be removed giving each council greater flexibility in the way it can spend its funding to achieve the best outcomes for local people.

#### *Schools Funding*

- 3.3 The spending review contained a commitment that schools funding at a national level will increase over the next 4 years at 0.1% per annum in real terms i.e. above assumed levels of inflation. The funding settlement for schools is usually announced just before the Local Government Finance Settlement and will set out what the spending review means for each Local Education Authority (LEA) along with details of what happens to the specific grants previously allocated for schools. Cabinet will be informed of these implications in the addendum report issued after the schools settlement is known. The government is also considering introducing a national funding formula so that funding allocations can be made directly to each school. This will have unknown distributional consequences for the total amount of schools funding for each LEA area.

#### *New Homes Bonus*

- 3.4 A recent consultation paper on the New Homes Bonus set out the way the government intends to pay this grant in 2011/12. Councils will receive amounts based on the increased number of homes between mid September 2009 and 2010 set out in a council tax base return made to the government. Brighton & Hove had an increase of 468 homes between these dates and therefore qualifies for just under £0.6m bonus out of the £196m set aside nationally. The bonus payment will be made for the next 6 years. The council may qualify for additional bonus payments in future years if the numbers of homes in the city continue to grow. The consultation paper states that £250m has been provided in the spending review nationally for bonus payments under the scheme for each year

2012/13 to 2014/15 with higher payments being top-sliced from the national formula grant.

### *Carbon Reduction Commitment (CRC)*

- 3.5 The spending review also brought about major changes to the CRC scheme. The cost of purchasing allocations to cover the carbon output of the council will now have to be met in full. Previously the payments to the Treasury were going to be recycled as income depending on how successful each authority was in reducing its carbon footprint. There is some uncertainty in the guidance but initially the council will need to buy allowances to cover only the largest energy consuming sites. The cost of allowances is under discussion but the guideline of £12 per tonne in 2011/12 requires a budget of £0.1m for next year. In 2013/14 and beyond the council will need to buy allowances to cover most of its carbon footprint which could cost £0.4m per annum or more if the cost of allowances rises.

### *Council tax freeze grant*

- 3.6 The budget report to Cabinet in July assumed that resources would be generated by a 2.5% increase in the Brighton & Hove City Council element of the council tax for 2011/12. The government has announced that councils who freeze their element of the council tax for next year will be entitled to receive a council tax freeze grant equivalent to the amount that would have been raised by a 2.5% increase. It is estimated that the grant for the City Council will be approximately £3m and will be received for each year of the spending review period.

### *Local Government Finance Settlement for 2011/12*

- 3.7 The Local Government Finance Settlement is expected to be announced in early December and assuming this is before the Cabinet meeting an addendum report will be prepared for the meeting setting out the detailed implications for the finances of the council. The Settlement will set out the amount of formula grant the council will receive in 2011/12 and details of most if not all the specific grants. The capital finance settlement is usually announced later and may not be available in time for the meeting.

### ***Budget Principles***

- 3.8 At the heart of the Council's approach to transforming the way it conducts its business are three key strands of work: the Value for Money Programme, the Improving the Customer Experience (ICE) programme and the move to a model of Intelligent Commissioning. These are all crucial to creating "The Council the City Deserves". Regular updates on all of this work have been brought to Cabinet throughout the year. The VFM programme has always been a key element of the Council's medium term financial planning. The programme remains on track and savings anticipated for 2011/12 are at least in line with expectations, if not better.

- 3.9 Reports to Cabinet have been clear that the new model of Intelligent Commissioning was not necessarily expected to deliver savings for 2011/12, primarily due to the lead in time for re-commissioning services. It does however put the Council in a strong position to make well informed decisions for service redesign and reprioritisation during the next financial year which will particularly inform the 2012/13 budget setting process.
- 3.10 Cabinet in July set out cash limits for each service area based on the existing Directorate structures as the council's top level reorganisation was still in its consultation phase. Those structures were well understood by both officers and members and therefore provided the clearest basis on which to conduct the budget planning for 2011/12. The outline budget strategies prepared to date are therefore set out in this way.
- 3.11 However, the implications of CSR are now so great that the Council will simply not be in a position to meet them if it continues its financial planning in the same way that it has done to date. It therefore needs to shift its thinking quickly into the new intelligent commissioning model which should provide more cross-cutting proposals for reshaping services and a renewed focus on prioritising resources to deliver outcomes in the most effective way. This does create a challenge to analyse and present financial information in the new model while the organisation is still in transition with structures that are not fully settled. However if the Council is unable to react quickly in this way it may miss significant opportunities that could help the 2011/12 budget position and mean that momentum is lost in this time of change. The format for the final budget proposals that will come to Cabinet on 17 February 2011 for recommending to Budget Council on 3 March 2011 is still being considered, however it will be possible, at a high level, to analyse the information against both the "old" and the "new" organisational structure.
- 3.12 In this context of change, a set of budget principles has been developed which have informed both the work done to date against the allocated cash limits and will continue to influence the next stage of the budget planning process. These are:
1. To deliver efficiency savings to help protect front line services by:
    - delivering the planned VFM programme and identifying where future year's VFM savings can be "fast tracked", for example, vacating office accommodation earlier than originally planned.
    - identifying other efficiency savings including those arising from the new groupings of services in delivery units
    - looking to generate savings on staff related expenditure through natural turnover, not filling existing vacancies, reducing management costs, minimising the use of consultants and making sure we only use agency staff and overtime where there is a sound business case to do so
    - identifying where closer working with other public agencies means we can share costs
    - reviewing contracts with service providers identifying scope for renegotiation and controlling costs
    - removing any local contingencies or risk provisions (these will all be covered corporately)

- These efficiency savings will be tracked to ensure that they are rigorously and consistently implemented by rolling them into the VFM programme.
2. Where changes need to be made to front line services proposals will take into account:
- how we can innovate our service design and delivery mechanisms to ensure the outcomes we deliver are maintained
  - how those changes might impact on costs and services provided by other public agencies in the city (“Total Place”)
  - how we can protect as far as possible the contribution made by the community and voluntary sector

### ***Latest Position 2010/11***

- 3.13 The TBM Month 6 report received by Cabinet on the 11 November showed an overspend of £0.319m on council controlled budgets. Tight spending constraints are in place in order to reduce that overspend further and to deliver an underspend that will provide one off usable reserves to support the 2011/12 budget setting process.

### ***Reserves position***

- 3.14 The current estimate of the Council’s Usable Reserves is set out in Table 1.

<b>Table 1 – Usable Reserves</b>	<b>£m</b>
Balance at 31/3/11 reported to Cabinet in July 2010	0.9
TBM overspend funding no longer required	1.0
Collection Fund Deficit	-0.4
Planned net contributions in 2011/12	0.4
<b>Balance available to support the 2011/12 Budget</b>	<b>1.9</b>

- 3.15 In previous years usable reserves have been used for new initiatives and investment. The financial context this year means that this is unlikely to be appropriate. It is therefore planned at this stage to ringfence these usable reserves to be used as set out in para 3.17.
- 3.16 As a result of the front loading of the reductions in formula grant in 2011/12 the Council may need to consider as a one-off measure of last resort use of reserves which are currently earmarked as part of a well balanced financial strategy. It remains a legal requirement that the Council sets a balanced budget for 2011/12 and therefore it needs to consider carefully how it can make legitimate use of reserves in that context. It is also at the heart of the Council’s ongoing commitment to sound financial planning and management that it does not take short term decisions that could create greater difficulties for the future.
- 3.17 Any use of reserves will be undertaken only for the following issues:
- implementation funding (the costs associated with changing how services are provided and organised such as redundancy costs)



- transition funding (because we will be unable to implement all proposals from 1 April so resources will be needed for the lead in time)
- resources to incur direct expenditure that frees up revenue budget costs (e.g. paying down debt)

3.18 The detailed proposals will form part of the final Budget reports.

### ***Fees & Charges***

3.19 Fees and charges are assumed to increase by the standard inflation assumption of 2% each year. Details of fees and charges for 2011/12 will be presented to the relevant Cabinet Member Meetings (CMM) and onto Council where appropriate prior to Budget Council. Timetabled fees and charges are as follows:

Royal Pavilion and Museums	21 September 2010
Adult Social Care	18 October 2010
Environmental Health & licensing	18 November 2010
Libraries and Venues	7 December 2010
Environment	23 December 2010
CYPT	17 January 2011

### **Expenditure Projections Update**

#### ***Service Pressures***

##### *Pension fund triennial review*

3.20 The East Sussex County Council Pension Fund announced the outcome of the triennial review on the 19 November 2010. The valuation as at 31/3/10 for the whole fund is 87.3% (compared to 88.9% at the last valuation in 2007). This is likely to place the fund within the top quartile of all LA funds. There has been a significant improvement within the last 12 months when the fund was a little over 70% funded. The performance of equities, the lower than expected pay increases and the change in uprating of pensions from RPI to CPI have been major factors in improving the outlook.

3.21 Brighton & Hove's share of the fund is 91% funded, which is the same as the valuation 3 years ago and an increase in the level above the average share of the fund. The factors helping this outcome are a continued scrutiny of early retirement decisions, negligible use of discretionary powers under the regulations, funding transfers at the point of any outsourcing decisions rather than waiting for the next valuation and aligning decision making and accountability.

3.22 The Council currently contributes 17% of payroll; the actuaries to the fund require an increase of 1% over the next 3 years as follows:

2011/12	17.3%
2012/13	17.7%
2013/14	18.0%

- 3.23 The Medium Term Financial Strategy assumed an increase of 0.5% in 2011/12 equivalent to £0.65m to the General Fund; the reduced contribution rate will save approximately £0.21m.
- 3.24 The latest valuation does not take into account the recommendation of the interim Hutton Report to increase the employee pension contributions.

*Concessionary Bus Fares*

- 3.25 The government has consulted on changes to the way bus operators are compensated for loss of income and additional costs arising from the operation of the free concessionary fares scheme in England. The consultation finished on the 11 November and it is expected that changes will be introduced from 1 April 2011. The council is currently collecting relevant data to enable an estimate of the revised reimbursement payments to be made in time for the budget papers in February when the government should have confirmed the methodology that will need to be used by all English councils.

*Main Service Pressures*

- 3.26 The budget strategies included in appendix 2 incorporate service pressures and certain specific grant reductions of £9.76m above inflation that are being managed within the cash limits. The most significant pressures are included in the following table:

<b>Table 2 – Main Service Pressures</b>	<b>£'m</b>
Demographic growth in Adult Social Care clients (Physical disabilities, vulnerable older people, mental health and learning disabilities).	2.1
Increased Independent Foster Agency placements	1.6
Loss of LPSA reward grant funding core business (Env & S&G)	1.2
Reductions in Parking Penalty Charge Notices (PCN's)	0.7
Children's Residential Agency placements	0.5
Children's Area social work teams	0.5
Children's social services Legal costs	0.3

***Savings***

- 3.27 The proposals to date are based on the cash limits set by Cabinet in July 2010 and these are set out in the budget strategies.
- 3.28 A total savings package of £12.3m has been identified within the Budget Strategies, £4.9m through the VFM programme, £5.8m through efficiencies and other income and £1.6m through commissioning changes. Details of the savings proposals are shown in appendix 2. CYPT have over achieved their savings target by £1.26m in preparation for managing potential reductions in specific grants. There are over and under achievements of savings across the remaining service areas that virtually balance to the cash limits overall.
- 3.29 All service areas have been asked to show how further reductions in their net budget could be achieved, consistent with the principles set out in para 3.12. This

will provide members with further options to meet the revised funding gap after the Local Government Financial Settlement.

### ***Staffing Implications***

- 3.30 This paper provides the broad financial information required for the budget strategy and does not, at this time, attempt to set out the detailed staffing implications. It is planned to continue to discuss the strategy with colleagues across the organisation and their trades unions in order to fully develop our understanding of the likely impact for employees. This will then allow us to enter into meaningful formal consultation with the trades unions and staff.
- 3.31 In the meantime, we have taken the following action into to minimise the impact on continuing employment and avoid redundancies. That action includes:
- Controlling recruitment and only making permanent appointments in exceptional circumstances and when all other alternatives have been exhausted
  - Holding any vacancies available internally to increase the opportunities for re-deployment
  - Avoiding the use of interim or consultant appointments
  - Limiting the use of temporary or agency resources
- 3.32 These measures will continue as we work with trades unions and colleagues on the detailed staffing implications.

### ***Capital Programme***

- 3.33 The 2010/11 capital programme is approximately 60% funded by resources from the government with the remainder largely coming from council borrowing, capital receipts and revenue contributions. The Spending Review has set out reductions in government funding for all government capital investment programmes of about 45% over the next 4 years.
- 3.34 It is not known at this stage how these reductions will impact on the level of government resources available for the city council. The capital finance settlement is usually announced after the Local Government Finance Settlement shortly before Christmas. It is therefore unlikely to be available in time for this Cabinet meeting so details will be circulated separately as soon as the figures have been analysed. Reductions in funding had been anticipated so services have been planning future capital investment on the basis of significant reductions.

### ***Housing Revenue Account***

- 3.35 The latest HRA Budget projections as shown in appendix 2, take into account the financial position as at TBM month 6 and the required level of reserves. In setting this budget, officers have taken into account the required level of efficiency savings but also sought to maximise the level of resources available to invest in meeting the Decent Homes Standard.

- 3.36 The service has identified savings of £0.913 million, the equivalent of a 8.7% savings target which will be used to fund inflationary increases and service pressures. The HRA Budget projections assume a continuing increase in 'Negative Subsidy' resulting in the HRA paying an additional £0.170 million of resources to the government net of rental income increases and capital financing costs.

### **2011/12 Budget Timetable**

- 3.37 The existing timetable means that scrutiny can review the proposals in this report plus any emerging themes at their December/January meetings. Proposals to meet the remaining budget gap will not be public until papers are despatched for 17 February Cabinet. Therefore an additional OSC meeting should be scheduled for around this time to review the proposals.

- 3.38 Timetable for the remaining budget papers.

Council Taxbase	Cabinet	20 Jan 2011
General Fund Revenue Budget and Council Tax	Cabinet	17 Feb 2011
Housing Revenue Account	HMCC	24 Jan 2011
	Cabinet	17 Feb 2011
Capital Resources and Capital Investment	Cabinet	17 Feb 2011
Budget Council		3 Mar 2011

## **4. CONSULTATION**

- 4.1 The budget and council tax consultation process was agreed by the cross party Budget Review Group. For 2011/12 the consultation has involved a budget questionnaire to a random sample of residents across the city as well as a focus group with the Older Peoples Council. The results of this consultation are due in December 2010 and will be circulated to all Members. The council has a statutory duty to consult with business ratepayers and a meeting will be held in January/February.

- 4.2 The Budget Report to Council in March 2011 will represent a culmination of the budget process which will have included a number of consultative processes including members, trade unions and in some cases service users.

## **5. FINANCIAL & OTHER IMPLICATIONS:**

### Financial Implications:

- 5.1 These are contained in the main body of the report.

*Finance Officer Consulted: Mark Ireland*

*Date: 25/11/10*

### Legal Implications:

- 5.2 Cabinet has the necessary authority to agree the recommendations set out in paragraph 2 of this report as part of their function of formulating budget proposals for subsequent consideration and adoption by Full Council.

Equalities Implications:

- 5.3 High level screening of the equalities impact of all the budget proposals has been undertaken by each service to determine whether there are likely to be equalities implications and to show whether they are covered by existing Equalities Impact Assessments (EIAs) or whether further action including new EIAs is required.

Sustainability Implications:

- 5.4 Sustainability issues will be taken into account throughout the council's budget setting process.

Crime & Disorder Implications:

- 5.5 The budget projections identify resources to help replace the reduction in government grants funding of certain crime and disorder initiatives.

Risk & Opportunity Management Implications:

- 5.6 There is considerable uncertainty about the council's resource position for 2011/12 and this will be reviewed following the Local Government Finance Settlement. The Council's final Budget proposals are required to include an assessment on the robustness of estimates and the adequacy of reserves. Relevant risk provisions in the 2011/12 budget will be considered as part of that final budget package presented in February 2011.

Corporate / Citywide Implications:

- 5.7 The report is relevant to the whole of the city.

**6. EVALUATION OF ANY ALTERNATIVE OPTION(S)**

- 6.1 The budget process allows all parties to put forward viable alternative budget and council tax proposals to Budget Council on 3 March. Budget Council has the opportunity to debate both the proposals put forward by Cabinet at the same time as any viable alternative proposals.

**7. REASONS FOR REPORT RECOMMENDATIONS**

- 7.1 The council is under a statutory duty to set its council tax and budget before 11 March each year. This report sets out the latest budget assumptions, process and timetable to meet its statutory duty.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Specific grants transferring to formula grant
2. Budget strategies and overall summary.

### **Documents in Members' Rooms**

None

### **Background Documents**

1. Files held within Strategic Finance and Financial Services sections.

**Specific Grants transferring to Formula Grant in the 2011/12 Local Government Finance settlement.**

<b>Grant</b>	<b>2010/11</b>
	<b>£'000</b>
<b>ABG Grants</b>	
Supporting People	11,249
Economic Assessment Duty	65
Carers Grant	1,240
Child & Adolescent Mental Health	466
LSC Staff Transfer	301
Services for Children in Care	213
Child Death Review	27
ASC Workforce	689
LINKS	147
Preserved rights	1,596
Mental Health	819
Learning Disability Development Fund	232
Mental Capacity Act	145
<b>Other Grants</b>	
Concessionary Bus Fares	1,804
Social Care Reform	1,167
National Stroke Strategy	93
Aids Support	455
<b>Total</b>	<b>20,708</b>





**Summary of Cash Limited Budgets**

	Housing £'000	Culture & Enterprise £'000	CYPT £'000	Environment £'000	Finance & Resources £'000	Strategy & Governance £'000	Adult Social Care, LD & S75 £'000	General Fund Total £'000
2010/11 adjusted base budget	4,547	11,214	47,482	37,029	18,777	11,869	71,631	202,549
Inflation	25	119	727	452	183	124	1,143	2,773
Service Pressures	337	376	3,466	1,762	920	630	2,265	9,756
VFM programme savings			-2,019	-225	-1,107		-1,551	-4,902
Commissioning changes savings	-365	-111	-1,631					-1,631
Efficiency savings and additional income			-486	-2,065	-775	-582	-1,402	-5,786
2011/12 Budget Strategy	4,544	11,598	47,539	36,953	17,998	12,041	72,086	202,759
2011/12 Cash Limit	4,544	11,333	48,798	36,980	18,531	11,751	72,086	204,023
<b>Surplus/ (-Shortfall)</b>	<b>0</b>	<b>-265</b>	<b>1,259</b>	<b>27</b>	<b>533</b>	<b>-290</b>	<b>0</b>	<b>1,264</b>

## CULTURE & ENTERPRISE 2011/12 BUDGET PROPOSALS

### Strategic Context and Direction of Travel

Brighton & Hove has a unique offer for residents, visitors and businesses. The combination of a great seafront, beautiful countryside, a diverse and beautiful built environment, a cultural offer amazing in its diversity and a population that loves and appreciates the City offers unparalleled opportunities. Capitalising on this, and at the same time ensuring that the City can be a safe and enjoyable place for all, is the focus of this strategy.

### Strategic response to this context

The overall cash limit increase for these services in 2011/12 is £119,000 equivalent to the inflation assumption. Expected grant reductions are assessed at £376,000 on the assumptions within the budget strategy.

Services are funded by a combination of income generation, grants, external and partnership funding and core Council budgets. This funding mix means that all services will be:

- focussed on outcomes and what works for people, not a dogmatic approach that drives one particular way of delivering;
- as efficient as possible at all times and deliver clear value for money;
- willing to take calculated risks and change to drive out waste;
- open to partnership whenever that delivers better services for less money;

All services will drive basic “housekeeping” issues, with a renewed emphasis on eliminating unnecessary spend, such as agency costs, overtime and any unusually sickness levels.

### Financial and Service pressures

<b>Table 1 – unavoidable service pressures which are dealt with as part of the budget strategy</b>	<b>2011/12 £'000</b>
None - Managed within base budget	0

<b>Table 2 – Further Service Pressures as a result of expected grant funding ending or reductions</b>	<b>2011/12 £'000</b>
Assumed 10% reduction in Renaissance Grant	111
Loss of DWP grant for Castleham Supported Employment service	265
<b>TOTAL</b>	<b>376</b>

## **Proposals for Main Service Areas**

### **Tourism & Venues**

The approach to the 2011/12 budget is to manage within budget through a combination of increasing income from the Brighton Centre and making savings through a staffing review and vacancy management.

- The merger of various teams will be explored
- There will be a further emphasis on securing the most appropriate business model for the future of the Brighton Centre

### **Royal Pavilion & Museums**

The approach to the 2011/12 budget setting process is to minimise detrimental impact on the service's ability to deliver council priorities, plan for a reduction in the Renaissance programme and achieve income targets across the service.

Income has held up this year, partly as a result of increase in visitor admissions at the Royal Pavilion of 13% to date on last year's figures and also due to the reductions in targets as part of the budget setting strategy for 2010-11. A prudent approach to possible income will be taken until the visitor economy stabilises further.

Any reduction in the Renaissance grant will have an impact on the service's ability to provide additionality in its cultural offer, however this can be managed without impacting on the operation of the Royal Pavilion and Museums service.

### **Libraries & Information Services**

The approach to the 2011/12 budget is to manage the service pressures within budget through increasing income. In response to the pressures, it is proposed to increase fees and charges in certain areas (subject to a Cabinet Member Meeting report in December) and to drive the retail offer in response to particular markets. A further analysis of retail success will be undertaken after the Christmas period to inform the strategy. The introduction of new downloading services will provide an opportunity to boost hire charge income.

### **Culture & Economy**

The impact of external funding streams coming to an end and the decrease in availability of external funding and sponsorship will have a significant impact in these service areas. Various options are being explored to manage the funding gap associated with the Castleham Supported Employment Services. The functions and purpose of the European team is being reviewed to ensure that the council is in a strong position to draw down available funding where it meets key priorities and where there can be a carefully managed exit strategy. LABGI funding provided one-off resources to a range of business related activities and no replacement funding for this has yet been identified.

## Key Risks

The services have the potential to deliver a vibrant, forward thinking set of opportunities to ensure the on-going success of the City. The variables that affect such services and initiatives for example visitor numbers and external sources of funding all pose challenges that will need careful monitoring and management.

### 2011/12 Budget proposals summary:

	Adjusted Base Budget 2010/11	Inflation	Service Pressures & reinvestment	VFM Programme Savings	Savings from Commissioning Changes	Efficiency Savings and Income above Inflation	Net Change in Budget to 2011/12
<b>Main Service Area</b>	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Tourism & Venues	1,598	7	0	0	0	0	7
Royal Pavilion & Museums	2,422	10	111	0	0	(111)	10
Libraries & Information Services	4,153	56	0	0	0	0	56
Culture & Economy	2,667	42	265	0	0	0	307
Major Projects & Regeneration	374	4	0		0	0	4
<b>TOTAL</b>	<b>11,214</b>	<b>119</b>	<b>376</b>	<b>0</b>	<b>0</b>	<b>(111)</b>	<b>384</b>

**ENVIRONMENT DIRECTORATE 2011/12 BUDGET PROPOSALS*****Sport & Leisure***

Savings have been identified within the Sport & Leisure budgets totalling £150,000. Efficiencies in expenditure budgets, including contract variations, private contractors and professional fees will deliver £120,000 of this. There will be further reviews of rents for individual seafront properties, ensuring that we retain fair and reasonable rents. This is expected to generate additional income of £30,000. The DC Leisure contract is currently being re-tendered, and this will be in operation for the next 10 years. It was originally feared that this would cause a pressure for this service area, due to increased utility costs and loss of income when Brighton and Hove Albion withdraw from Withdean Stadium. However, early indications are that this is unlikely to be the case, and that this new contract may deliver substantial savings which are not yet factored into this budget strategy.

**Key Risks:**

- Community Safety – the risks around re-prioritisation of work will be evaluated by the Partnership as a whole.
- Sustainable Transport – the measures proposed are of low risk to the council but some may impact events organisers.
- City Planning – Examinations in Public. The risk in reducing the funding available to support plan preparation can only be fully assessed once new legislation is published.

**2011/12 Budget proposals summary:**

Main Service Area	Adjusted Base Budget 2010/11	Inflation	Service Pressures & reinvestment	VFM Programme Savings	Savings from Commissioning Changes	Efficiency Savings and Income above Inflation	Net Change in Budget to 2011/12
Main Service Area	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Director	230	2					2
Parking Services	(13,280)	(279)	661	(25)		(751)	(394)
Other Sustainable Transport	11,638	194		(190)		(171)	(167)
Development Planning	2,729	13	219			(303)	(71)
Other Planning/Public Protection	2,672	23				(110)	(87)
Community Safety	1,187	11	802			(347)	466

Item 48 Appendix A App 2

Sport & Leisure	1,936	17		(10)		(140)	(133)
City Services	29,917	471	80			(243)	308
<b>TOTAL</b>	<b>37,029</b>	<b>452</b>	<b>1,762</b>	<b>(225)</b>		<b>(2,065)</b>	<b>(76)</b>

# BRIGHTON & HOVE CITY COUNCIL

## CABINET

4.00PM 9 DECEMBER 2010

COUNCIL CHAMBER, HOVE TOWN HALL

### DRAFT MINUTES

**Present:** Councillors Mears (Chairman), Alford, Brown, Fallon-Khan, K Norman, Simson, Smith, G Theobald and Young

**Also in attendance:** Councillors Mitchell (Opposition Spokesperson), Kitcat (Opposition Spokesperson) and Watkins (Opposition Spokesperson)

**Other Members present:** Councillors Hawkes and Phillips

### PART ONE

#### 123. BUDGET UPDATE & BUDGET STRATEGIES 2011/12

123.1 The Cabinet considered a report of the Director of Finance updating Members on the latest budget position and budget strategies for 2011/12 in anticipation of the Local Government Finance Settlement.

123.2 Councillor Young reported that a full budget package could not yet be considered by the Cabinet because the Local Government Finance Settlement had yet to be announced; details of the Schools Settlement and specific grants were also required. She announced that a council tax freeze would be proposed, attracting a £3 million grant from the Government.

123.3 Councillor Mitchell stated that the report did not provide any new information and was concerned that the proposals did not reflect the new structure of the council. She made the following comments in relation to the proposals:

- Cost cutting and job losses were alluded to in the report, but not clearly identified.
- Proposals in relation to Brightstart Nursery were misleading and had been published prior to the completion of the consultation period.
- Services for children and young people would be significantly affected; council-run youth centres should be protected and cuts to youth offending services should be reconsidered.
- The Communications Team had identified savings of £160,000 had been identified, but no detail had been provided. The team was also recruiting a new Head of Press despite a recruitment freeze.

Councillor Mitchell stated that the proposals were based on assumptions and that further detail was required.

- 123.4 The Chairman advised that it would have been irresponsible to formulate a budget until details of the financial settlement were received from Government. She explained that the Director of Finance had advised the Cabinet that it was appropriate to follow the directorate structure for the forthcoming budget. She added that the council was committed to ensuring youth services were delivered in best possible way.
- 123.5 Councillor Young stated that the move to strategic commissioning would result in budget savings through increased joint working and that vacancies would be managed to prevent job losses, which would only be a last resort.
- 123.6 Councillor Kitcat thanked officers for providing a report, despite the current uncertainty. He echoed Councillor Mitchell's concerns in relation to Brightstart Nursery and stated that job losses would follow from the reduction in transport projects. He was also concerned that the personalisation agenda would deliver the savings proposed in Adult Social Care.
- 123.7 In response to comments from Councillor Kitcat, the Chairman advised that the council must be careful about make significant savings within Culture & Enterprise, not only because of the effect on the council's revenue, but on the whole of the city's economy.
- 123.8 Councillor Theobald stated that it was important not to worry staff and the public unnecessarily before the financial settlement was received. He invited the Opposition Groups to put forward alternative savings suggestions so that the choices could be debated at Budget Council in March.
- 123.9 In response to comments about Brightstart Nursery, the Director of Finance confirmed no decision would be made by the Cabinet at this stage; the report contained initial budget strategies only and those proposals would change following receipt of further financial information. Only Full Council had the authority to agree the budget following formal recommendation from the Cabinet in the New Year.
- 123.10 Councillor Watkins stated that he would comment further once the final proposals were published, but raised concerns over the effect of the council structural arrangements on the budget process and advised that Members must play a role in monitoring it.
- 123.11 Councillor Fallon-Khan reported that the Administration had prioritised financial responsibility, achieving savings of £10 million in each of the last three years and being awarded 4 stars by the Audit Commission without burdening taxpayers and that approach would continue.
- 123.12 Councillor Norman advised that work on the personalisation agenda was continuing and that savings would be realised through a multitude of measures and in conjunction with the Value for Money Programme.
- 123.13 In response to comments from Councillor Kitcat, Councillor Young explained that the first two rounds of the Value for Money Programme focussed on identifying quick and easy savings; the next round would focus on harder to reach savings in service areas that had not yet been targeted.



123.14 **RESOLVED** - That, having considered the information and the reasons set out in the report, the Cabinet accepted the following recommendations:

- (1) That the high level assessment of the implications of the CSR on the national funding position for local government as set out in paras 3.1-3.6 be noted.
- (2) That it be noted that an addendum to the report setting out the anticipated resources available to the Council was not published because the Local Government Finance Settlement was not issued prior to 9 December 2010.
- (3) That the principles on which the General Fund Revenue Budget for 2011/12 is being prepared as set out in para 3.12 be considered and agreed.
- (4) That the proposed approach for using reserves as part of a balanced financial strategy to deal with the Council's uniquely challenging financial position for 2011/12 as set out in para 3.17 be considered and agreed.
- (5) That the initial budget strategies for each service, developed on the basis of the original financial planning assumptions as set out in Appendix 2, be considered and noted.
- (6) That it be noted that those outline budget strategies will be subject to significant revision and update once the Council's resource position is more clearly understood.



# **CULTURE TOURISM AND ENTERPRISE OVERVIEW AND SCRUTINY COMMITTEE**

## **Agenda Item 48 Appendix B**

Brighton & Hove City Council

<b>Subject:</b>	<b>Royal Pavilion &amp; Museums Fees &amp; Charges</b>		
<b>Date of Meeting:</b>	<b>CMM 21 September 2010 CTEOSC 26 January 2011</b>		
<b>Report of:</b>	<b>Acting Director of Housing, Culture &amp; Enterprise</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Janita Bagshawe</b>	<b>Tel: (29)2840</b>
	<b>E-mail:</b>	Janita.bagshawe@brighton-hove.gov.uk	
<b>Key Decision:</b>	<b>No</b>		
<b>Wards Affected:</b>	<b>All</b>		

### **FOR GENERAL RELEASE/ EXEMPTIONS**

#### **1. SUMMARY AND POLICY CONTEXT:**

- 1.1 To set out the proposed changes to fees and charges for admission charges, guiding, commercial hire and image reproduction to assist with business planning.

#### **2. RECOMMENDATIONS:**

- 2.1 To approve the changes to charges for admission and guiding for the period Jan 2011 – March 2014, overriding previous price changes to take into account changes to VAT and the price sensitivity of the market.
- 2.2 To approve proposed prices for commercial hire of Royal Pavilion & Museum venues 2011/12.
- 2.3 To approve charges for image reproduction services September 2010 - March 2012 with immediate effect

#### **3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:**

##### **3.1 Proposed new charges**

- 3.1.1 Due to booking timescales, marketing strategies for travel trade must be planned six months to a year in advance to fit in with industry press offers. It is therefore imperative that prices are agreed well in advance to maximise coverage in industry press, and provide correct information at trade fairs to secure bookings. To allow sufficient planning for this key business area we have attached in Appendix A prices for approval for the period Jan 2011 to March 2014

- 3.1.2 On 22 June 2010, the Chancellor delivered his budget statement including the increase in the standard rate of VAT from 17.5% to 20% as of 4 January 2011. New prices therefore need to be introduced earlier than the annual 1 April price changes. To minimise cost to the business and aid communication with our customers, it is proposed to introduce new charges on 4 January and hold these until 31 March 2012. All proposed price changes are shown in Appendix A.

### **Royal Pavilion Admission Charges**

- 3.1.3 In September 2009, Cabinet Member approval was given for charges up to March 2013, this was prior to the increase in VAT to 20%. The full adult price agreed for 2011-12 in September 2009 was £10. In the current economic climate we need to be mindful of price sensitivity and therefore recommend a revision to minimise price increases only adding further 1% to the 2.5% VAT increase on the basic adult price. Residents will continue to get half price entry and Brighton and Hove children remain free.
- 3.1.4 The charging practices and visitor trends of comparable visitor attractions are kept under review on a continuous basis. These charges show that the Royal Pavilion is still good value for money (currently £9.50 for adults compared with £16.00 at Arundel castle and £9.90 at Petworth House). (See Appendix B for further price comparisons).
- 3.1.5 Recent visitor research shows that the Pavilion is still perceived as providing good value for money and visitor numbers have increased by 13% during the first 4 months of 2010/11 on the previous year.

### **Preston Manor Admissions**

- 3.1.6 The majority of adult visits to Preston Manor are from people living outside the Brighton & Hove area. 98.3% of survey respondents indicated their visit was 'excellent' or 'good'.
- 3.1.7 67% of visitors to Preston Manor are children in school groups, many of whom are from outside Brighton & Hove. This particular market is highly price sensitive, given rising price of coach prices.
- 3.1.8 We propose that the previously agreed adult price of £5.40 is increased to £5.50 to cover the VAT increase and that there is a reduction in the previously agreed child price from £3.40 to £3.10. Residents will continue to get half price entry at £2.75.

### **Exhibitions**

- 3.1.9 Prices have been held since exhibition charges were first introduced in April 2008. They now need to be increased due to VAT rises. An increase to £6.00 basic adult price is proposed. The Towner Art Gallery Eastbourne is currently charging £5.50 for its Eric Ravilious Exhibition. Residents would enjoy admission at half price - £3.00.

## **3.2 Commercial Hire**

- 3.2.1 In line with many corporate hire venues, 2009/10 was a difficult year for the Royal Pavilion & Museums due to the economic downturn. The decision was made to hold pricing for 2010/11 and it is suggested pricing is held again for 2011/12.
- 3.2.2 Wedding ceremony prices have been reviewed and it is proposed to increase charges by £40 to £600 for a Ceremony in peak season in the Red Drawing Room. This compares to £500 for the Bandstand (2010-11).
- 3.2.3 It is proposed to introduce charges for the hire of the Eastern Lawns. The proposal for use of Eastern Lawns has been laid out in the Royal Pavilion & Museums Garden Strategy agreed by the Culture, Recreation & Tourism Cabinet member at the meeting on 15 June 2010. All events on the Eastern lawns to be agreed on a commercial hire basis ie no free events and events must meet the specific criteria of the Gardens Strategy. All above prices are laid out in Appendix C.

## **3.3 Image Reproduction**

- 3.3.1 Over the last five years, huge developments in the use of digital technologies for creating, supplying and promoting the images contained within our collection have taken place. These developments have completely changed the way we work and competition within the market place has made it necessary to overhaul the way we supply and charge for image reproductions from our collections as existing charges are based on the production and sale of slides and transparencies rather than digital formats.
- 3.3.2 Through Renaissance in the Regions funding we have invested in new technology to make images for which we have copyright purchasable on-line. It is planned to launch this service in September so prices will need to have immediate effect. Proposed pricing is attached in Appendix D.
- 3.3.3 Research has been carried out into pricing of other Museum image services including those of the V&A, National Gallery, Science Museum, Ashmolean Museum and Museum of London.

## **4. CONSULTATION**

- 4.1 *Admission charges:* Sealife Centre, Leeds Castle, Historic Royal Palaces; Petworth House, Arundel Castle, Roman Baths, Waddesdon manor & Gardens, Warwick Castle; Charleston; Firle Place; Michelham Priory.
- 4.2 *Admission charges:* on-going user surveys of customers. 11,000 surveyed at Royal Pavilion 09/10, 60 surveyed at Preston Manor 09/10
- 4.3 *Corporate Hire:* Jubilee Library, Hove Centre, Brighton Centre, Lighthouse, Sallis Benny, Historic Royal Palaces.

- 4.4 Image Reproduction: V&A, National Gallery, Science Museum, Ashmolean Museum and Museum of London.

## 5. FINANCIAL & OTHER IMPLICATIONS:

### Draft Financial Implications:

- 5.1 The Royal Pavilion & Museums (RPM) has a current year income target of £3.149m (£1.830m for services outlined in this report) increasing by 2% in line with corporate budget setting guidelines to £3.212m (£1.867m relating to this report) in 2011/12. Currently, income targets are expected to be achieved in 2010/11.

By adopting the fees and charges policy mentioned in the report, admission income at the Royal Pavilion will improve by approximately £5k against target for the period January to March 2011, but will lose £13k against target in 2011/12 because net income to the service will rise less than the target inflation of 2%. This assumes current visitor projections (285,000) occur again next year, but there are indications (as in para 3.1.5 of the report) of a possible up-turn in visitor numbers.

For commercial hire services, prices (other than ceremonies) have been held, but new services have been added such as hiring of the Eastern Lawns which will hopefully ensure targets are met after a period when the RPM has struggled to attract this type of income. New services and ways of achieving income are important to the future development of the RPM and Appendix D details the new digital imaging charges. The likely income from these have yet to be calculated, but should help towards achievement of RPM income targets.

Finance Officer Consulted: Peter Francis

date: 23 August 2010

### Legal Implications:

- 5.2 The recommendations in this report are considered to be reasonable and there are no adverse legal implications arising

Lawyer consulted: Bob Bruce

date: 23 August 2010

### Equalities Implications:

- 5.3 Concessionary admission charges are available to Senior Citizens, students, unemployed people, and people with a disability. A charity group rate is offered. There is an annual free day. Resident adults are offered half price admission and resident children don't pay admission. Brighton and Hove schools don't pay admissions. Brighton & Hove young people and children in care also gain free admission whether resident in Brighton &

Have or not through the Children & Young People's Trust Listen Up scheme.

Equalities Officer Consulted : Maureen Pasmore date: 23 August 2010

Sustainability Implications:

- 5.4 Many services have to generate income in order to contribute towards the costs of the provision. If Royal Pavilion & Museums are not run and marketed in the same way as comparable visitor attractions, and consequently generate reasonable amounts income, the service to the public is placed at risk.

Crime & Disorder Implications:

- 5.5 None

Risk & Opportunity Management Implications:

- 5.6 Failure to increase charges will have an impact on the service's ability to meet income targets and efficiency savings.

Corporate / Citywide Implications:

- 5.7 The Royal Pavilion & Museums play a vital role in the cultural, learning and economic life of the city, and its visitor offer.

**6. EVALUATION OF ANY ALTERNATIVE OPTION(S):**

- 6.1 Action is required to meet income targets.

**7. REASONS FOR REPORT RECOMMENDATIONS**

- 7.1 **Admission charges.** To continue to remain competitively priced within the visitor attraction industry. Advance price setting important for good customer relations and means that we can maximise coverage in the industry press, and provide correct information at trade fairs to help secure bookings.

- 7.3 **Commercial hire Prices.** To agree prices for commercial hire.

- 7.4 **Image Reproduction:** To enable the service to launched its new on-line image reproduction service.

**SUPPORTING DOCUMENTATION**

**Appendices:**

1. Appendix A: Proposed admission charges 2011-2014
2. Appendix B: Comparator admission charges
3. Appendix C: Proposed corporate hire rates 2011/12
4. Appendix D: Proposed image reproduction fees

**Documents in Members' Rooms**

- 1.
- 2.

**Background Documents**

1. Culture, Recreation & Tourism Committee, Admission Charges for the Royal Pavilion & Preston Manor, 12 September 2007
2. Cabinet Member Report Royal Pavilion & Museums Fees & Charges, December 2008
3. Cabinet Member Report Royal Pavilion & Museums Fees & Charges, September 2009



## Proposed 2011/14 Admission Charges

N/A prices not previously agreed

(Charges are inclusive of VAT at the rate indicated)

Dates	2010/2011	4/1/2011- 31/3/2012	2011/12		2012/13		2013/14	
	Current	Proposed	Previously Agreed	Proposed	Previously Agreed	Proposed	Previously Agreed	Proposed
VAT Rate	17.5%	20.0%	17.5%	20.0%	17.5%	20.0%	17.5%	20.0%
<b>Royal Pavilion</b>								
Adult	£9.50	£9.80	£10.00	£10.00	£10.50	£10.50	£10.50	£10.50
Adult groups/promotions	£8.55	£8.80	£9.00	£9.00	£9.45	£9.45	£9.45	£9.45
B & H Schools	Free	Free	Free	Free	Free	Free	Free	Free
Child	£5.40	£5.60	£5.70	£5.70	£5.90	£5.90	£5.90	£5.90
Child Group	£4.85	£5.00	£5.10	£5.10	£5.30	£5.30	£5.30	£5.30
Concession Senior/Student	£7.50	£7.80	£8.00	£8.00	£8.50	£8.50	£8.50	£8.50
Concession Group	£6.75	£7.00	£7.20	£7.20	£7.65	£7.65	£7.65	£7.65
Family 1 Adult & 2 Children	£14.90	£15.40	£15.70	£15.70	£16.40	£16.40	£16.40	£16.40
Family 2 Adult & 2 Children	£24.40	£25.20	£25.70	£25.70	£26.90	£26.90	£26.90	£26.90
Resident Adult	£4.75	£4.90	£5.00	£5.00	£5.25	£5.25	£5.25	£5.25
Resident Child	Free	Free	Free	Free	Free	Free	Free	Free
<b>Preston Manor</b>								
Adult	£5.00	£5.50	£5.40	£6.00	£5.80	£6.20	£5.80	£6.20
Adult groups/promotions	£4.50	£5.00	£4.85	£5.40	£5.20	£5.60	£5.20	£5.60
B & H Schools	Free	Free	Free	Free	Free	Free	Free	Free
Child	£3.00	£3.10	£3.40	£3.20	£3.80	£3.30	£3.80	£3.30
Child Group	£2.70	£2.80	£23.05	£2.90	£3.40	£3.00	£3.40	£3.00
Concession Senior/Student	£4.00	£4.50	£4.40	£5.00	£4.80	£5.20	£4.80	£5.20
Concession Group	£3.60	£4.00	£3.95	£4.50	£4.30	£4.70	£4.30	£4.70
Family 1 Adult & 2 Children	£8.00	£8.60	£8.60	£9.20	£9.60	£9.50	£9.60	£9.50
Family 2 Adult & 2 Children	£13.00	£14.10	£14.00	£15.20	£15.40	£15.70	£15.40	£15.70
Resident Adult	£2.50	£2.75	£2.50	£3.00	£2.90	£3.10	£2.90	£3.10
Resident Child	Free	Free	Free	Free	Free	Free	Free	Free
<b>Exhibitions</b>								
Adult	£5.00	£6.00	N/A	£6.00	N/A	£6.00	N/A	£6.00
Adult groups/promotions	£4.50	£5.40	N/A	£5.40	N/A	£5.40	N/A	£5.40

B & H Schools	Free	Free	N/A	Free	N/A	Free
Child	Free	Free	N/A	Free	N/A	Free
Child Group	Free	Free	N/A	Free	N/A	Free
Concession Senior/Student	£3.00	£4.00	N/A	£4.00	N/A	£4.00
Concession Group	£2.70	£3.60	N/A	£3.60	N/A	£3.60
Resident Adult	£2.50	£3.00	N/A	£3.00	N/A	£3.00
Resident Child	Free	Free	N/A	Free	N/A	Free
Guided Tours	£3.00	£3.50	£4.00	£4.00	£5.00	£4.50
Corporate Guided tours	£4.15	£5.00	N/A	£5.50	N/A	£6.00

### Comparator Pricing

Prices 2010/2011			
	CHILD	ADULT	CONC
<b>Royal Pavilion</b>	<b>£5.40</b>	<b>£9.50</b>	<b>£7.50</b>
Arundel Castle	£7.50	£16.00	£13.50
Buckingham Palace	£9.75	£17.00	£15.50
Hampton Court Palace & Gardens	£7.50	£14.00	£11.00
Harewood House	£6.50	£13.00	£12.00
Kensington Palace	£6.25	£12.50	£11.00
Leeds Castle	£10.00	£17.50	£15.00
Petworth House & Park	£5.00	£9.90	£9.90
Sea Life Centre	£10.50	£15.50	£13.00
The Roman Baths, Bath	£7.50	£12.25	£10.00
Waddesdon Manor & Gardens	£11.00	£15.00	£15.00
Warwick Castle	£11.95	£19.95	£13.95
Windsor Castle	£9.50	£16.00	£14.50
<b>Preston Manor</b>	<b>£3.00</b>	<b>£5.00</b>	<b>£4.00</b>
Anne of Cleves House	£2.10	£4.20	£3.70
Charleston	£5.00	£9.00	£8.00
Firle Place	£3.50	£6.50	£6.00
Luxted, Home of Charles Darwin, Kent	£4.70	£9.30	£7.90
Michelham Priory	£3.40	£6.50	£5.50
Parham Park	£4.00	£8.00	£7.00
St Mary's House & Garden Bramber	£3.00	£7.00	£6.50
<b>Brighton Museum &amp; Art Gallery Exhibition</b>	<b>£0.00</b>	<b>£5.00</b>	<b>£4.00</b>
Towner, Eastbourne (Ravilious Exhibition)	£0.00	£5.50	£4.00
Birmingham (T Rex Exhibition)	£4.00	£5.00	£4.00

## Proposed 2011/12 Corporate Hire Rates

**NB. Concessionary rate and BHCC internal hiring 20% discount applies**  
(Room hire is VAT exempt)

Venue / Room	2010/11 Rate	Proposed 2011/12 Rate
<b>Royal Pavilion</b>		
Great Kitchen	£2,200	£2,200
Great Kitchen and Banqueting Room	£3,255	£3,255
Music Room	£2,200	£2,200
Music Room, Banqueting Room and Great Kitchen	£4,750	£4,750
<b>William IV Room</b>		
4 hour booking - corporate	£980	£980
4 hour booking – wedding reception	£1,020	£1,020
all day rate (8am-6pm)	£1,350	£1,350
<b>Red Drawing Room</b>		
evening hire	£980	£980
all day rate (8am-6pm)	£1,350	£1,350
civil wedding ceremony (high season May-Sept)	£560	£600
civil wedding ceremony (low season Oct-April)	£510	£560
William IV and Red Drawing Room - wedding ceremony and reception package (high season May-Sept)	£1,480	£1520
William IV and Red Drawing Room - wedding ceremony and reception package (low season Oct-April)	£1,430	£1480
William IV and Red Drawing Room Day Conference package	£1,600	£1,600
Evening guided tour - charge per person - min charge for 25	£4.15	£5.00
<b>Small Adelaide</b>		
per 2 hour booking	£100	£100
Gardens (half day – Western Lawns)	£700	£700
Gardens (eastern lawns) Grounds Fee	New	£3-5,000
Gardens (eastern lawns) event management fee day rate	New	£2,000
<b>Preston Manor</b>		
House Dinner	£900	£900
House Drinks Reception	New	£550
Lawns	£1,400	£1,400
Meeting Room - New facility		

4 hour booking	£50	£50
all day rate (9am-5pm)	£100	£100
NB. Stewarding for meeting room charged separately		
<b>Brighton Museum &amp; Art Gallery</b>		
Entire Museum	£2,200	£2,200
Ground floor	£1,420	£1,420
Education Pavilion -		
4 hour booking	£65	£65
all day rate (9am - 5pm)	£130	£130
NB. Stewarding for Education Pavilion charged separately		
Seminar Room -		
4 hour booking	£45	£45
all day rate (9am - 5pm)	£90	£90
NB. Stewarding for Seminar Room charged separately		
<b>Courthouse lecture theatre</b>		
half day rate / evening lecture	£525	£525
all day rate (8am-6pm)	£1,000	£1,000

## Proposed Image Reproduction & Licensing rates – Immediate effect

### Hardcopy Prints

A4 (8x10 inches; 254x203mm)	10.00
A3 (16x12 inches; 406x305mm)	30.00
A2 (24x20 inches; 609x508mm)	60.00
A1 (36x24 inches; 914x609mm)	90.00
A0 (48x36 inches; 1219x914mm)	150.00

### Digital Images

Digital Image (for private, non-reproduction purposes) From existing digital images	
Low resolution	0.00
High resolution	10.00

Image Supply	
By email or online transfer	0.00
By CD (per disc)	5.00

### Creation of new images

New Digital Images	
Scanning	15.00
In-house photography	50.00
External photography	Negotiable

### Commercial Licensing

The intention is to streamline the charges for commercial licensing of images and to take into account all types of new media formats. Based on the experience of the last two or three years pricing has been rationalised to be competitive and encourage sales of images from out collections.

<b>Books (including audio books, podcasts and e-books)</b>		
	inner page	cover
Print run up to 1000 units: No reprint charge	£10.00	£50.00

Print run over 1000 units		
Single country	£60.00	£200.00
World	£100.00	£300.00
Reissue in a different format (eg e-book, revised edition) will be charged again. All podcasts and e-books will automatically be considered to have an equivalent print run over 1000.		

<b>Newspapers (includes web use for same feature)</b>	inner page	cover
Provincial paper	£20.00	£50.00
National paper	£60.00	£150.00

Magazines (includes web use for same feature)		
	inner page	cover
Local	£20.00	£50.00
National	£60.00	£150.00

<b>Television (cable, digital, satellite, terrestrial and web streaming / on-demand)</b>		
Provincial broadcast:	£40.00	
Single country broadcast:	£75.00	
World broadcast rights:	£150.00	
10 year buyout	£300.00	
All retail DVD, Blu-Ray and direct pay per view will require 10 year buyout rights.		

Commercial Web, Product and Site use (eg display panels, greeting cards, stationery etc.)		
One time use, Brighton & Hove based business	£25.00	
One time use, Non Brighton & Hove based business	£100.00	
10 year buyout	£300.00	





**EXTRACT FROM THE MINUTES OF CULTURE, RECREATION & TOURISM CABINET  
MEMBER MEETING, 21 SEPTEMBER 2010**

**Present:** Councillor Smith (Cabinet Member)

**Also in attendance:** Councillor Davis

**PART ONE**

**27. ROYAL PAVILION & MUSEUMS FEES AND CHARGES**

- 27.1 The Cabinet Member considered a report of the Acting Director of Culture and Enterprise setting out the proposed changes to fees and charges for admission charges, guiding, commercial hire and image reproduction to assist with business planning.
- 27.2 The Cabinet Member noted that the eastern lawns would be able to be hired for the first time. Councillor Davis enquired whether it was still intended that a ice rink would be set up on the lawns during the winter months. It was explained that discussions were still taking place with the applicants.
- 27.3 Councillor Davis enquired regarding whether the proposed charges would impact on planned improvements to visitor facilities. It was explained that they would be unaffected as external funding was being sought for these works.
- 27.4 **RESOLVED** – (1) That the Cabinet Member approves the changes to charges for admission and guiding for the period Jan 2011 – March 2014, overriding previous price changes to take into account changes to VAT and the price sensitivity of the market.
- (2) That the Cabinet Member approves the proposed prices for commercial hire of the Royal Pavilion & Museum Venues 2011/12; and
- (3) That the Cabinet Member approves charges for image reproduction services September 2010 – March 2012 with immediate effect.



# CULTURE, TOURISM & ENTERPRISE OVERVIEW & SCRUTINY COMMITTEE

## Agenda Item 48 Appendix C

Brighton & Hove City  
Council

**Subject:** *Libraries Fees and Charges*  
**Date of Meeting:** CMM 7 December 2010  
CTEOSC 26 January 2011  
**Report of:** *Strategic Director of Communities*  
**Contact Officer:** Name: **Sally McMahon** Tel: **29-6963**  
E-mail: sally.mcmahon@brighton-hove.gov.uk  
**Key Decision:** No Forward Plan No.  
**Wards Affected:** All

### FOR GENERAL RELEASE

#### 1. SUMMARY AND POLICY CONTEXT:

- 1.1 Purpose of the report is to agree the fees and charges for Libraries Services for 2011-12.
- 1.2 Under the Corporate Fees and Charges Policy, we are required to carry out an annual review in line with the policy. We are proposing to make only limited changes to fees and charges for the coming year, because substantial changes were made two years ago and to reflect the fact that the current economic position for some residents of the City remains volatile.
- 1.3 The annual increases in income targets for inflation, together with other service pressures, will be met through a mixture of increased income from fees and charges, and improved performance in our room hire and retail offer.
- 1.4 A significant development for the coming year is the introduction of downloading services, including free e-books for loan, free digital audio-book loans, and downloading of music and film. The move to digital services will:
  - expand the range of formats available to our borrowers
  - enable people with visual impairment to have greater access to books with the ability of e-book to vary print display sizes
  - significantly reduce the cost of providing audio-books, so enable us to purchase more titles
  - expand the range of music and films available through the audio-visual subscription service by including downloading as a new option

#### 2. RECOMMENDATIONS:

- 2.1 (1) To agree the Libraries Fees and Charges proposals for 2011-12.

### **3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS**

- 3.1 As many Library Service charges are only a few pence it is not possible to increase them annually by inflation. Instead, most prices are left unchanged for a number of years until an increase in real prices can be adopted. A range of significant increases above the rate of inflation were introduced in 2008, so we are not proposing many changes for 2011 as they are still fit for purpose.
- 3.2 We are proposing the following changes to Libraries fees and charges:
- 3.2.1 Fines: We are proposing to increase the overdue charge for books returned late by adult borrowers from 15p to 20p per day. The fine rates in the region are generally slightly higher than outside the South East (Bucks have 20p and Milton Keynes 25p fines – 2010 data), and it is possible that other authorities may also have plans to increase charges for next year. (See comparison information in appendix 1) This charge acts as an incentive to borrowers to return their books on time so that they are available for others to borrow. This is particularly important as we have high numbers of reservations which could be more swiftly satisfied if books are brought back on time. There is a maximum charge of £6 per item borrowed, so the fines do not go on accumulating after 30 working days.
- 3.2.2 This charge can be avoided by borrowers if they return their books on time, or contact us by phone or online to renew their items. In order to help people avoid this charge we are introducing a new messaging system (via email) to alert borrowers in advance that their books are due back in a few days time. Fines were at the higher rate of 16p per day in 2005-6, and were reduced in 2006 to 15p to facilitate collection by keeping the amount to round figures. Please note that books borrowed by children or people with learning disabilities do not incur any overdue charges and this will remain in place for 2011.
- 3.2.3 DVDs: We are maintaining the hire cost of premium DVDs at £3.00 for a one week loan, but we are proposing to increase the hire charge for the low price DVDs (older films) from £1.50 to £2.00 for a one week loan. Brighton & Hove Libraries have been one of the few authorities that continue to collect more income on AV hire than we spend on AV items each year, and our issue figures have held steady despite the growth in digital access in this market. We estimate that for every £1 spent we generate £1.27 of income.
- 3.2.4 Inter-library loans: We are proposing to increase the charge for British Library requests and other interlibrary loans that cannot be satisfied through our own stock or that of our SELMS (South East Library Management Systems) partner authorities from £2.50 to £3.50. Out of the 1.3 million issues last year, only 615 were interlibrary loans of this sort, and we only borrow through these channels if we are unable to purchase the item for stock, or if it is a highly expensive or inappropriate

addition to our collections. This charge still only covers around 25% of the real cost of supplying this service, and is in line with charges in other authorities (see comparison information in appendix 1)

- 3.2.5 Research fees: We are proposing to increase the charges for research carried out by staff in Libraries and in the Brighton History Centre. Research requests are not carried out when the search is likely to take more than 2 hours to complete. The development of new technologies has meant an increase in the amount of information being requested and also our ability to provide a prompt reply. It has been six years since the fees have been set so a revision is overdue.
- 3.2.6 It is proposed to stop the 10 minute free search and make a proper differentiation between an 'enquiry' and 'research'. Enquiries will still be answered free of charge. The proposed charges will bring the History Centre in line with organisations with similar services within the area. This will put our charges in line with other research services in neighbouring authorities, with our new charges being £20 per hour of research for non-commercial requests, and £40 per hour for commercial requests. (See comparison information in appendix 1).
- 3.3 Commercial Income for Libraries:  
Further income will be achieved through improved performance in room hire and retail sales, without putting up prices. Last year we increased our income from these commercial activities and exceeded targets: retail income was £130,591 (target £115,000) and room hire income was £63,140 (target was £59,000).
- 3.4 Comparison Information:  
A table showing current Brighton & Hove Library charges in comparisons with other authorities can be seen in appendix 1. These charges reflect the position in March 2010, and it is possible that these authorities may change their charges for next year. Charges in the south east appear to be slightly higher than in authorities in other parts of the country.
- 3.5 New services and maintenance of concessionary rates and exemptions:  
We are introducing new services to our borrowers so they can get even better value for money, and maintaining the comprehensive range of concessionary and exemption arrangements for disadvantaged borrowers:
- Introduction of free downloading e-books
  - Introduction of free downloading of audio-books
  - Inclusion of music and film downloading in the audio-visual subscription
  - No charges for children (fines and reservations)
  - Maintaining all of our concessionary and exemption arrangements for those with most need (low income, disability and special needs) – see end of appendix 2 for a full list.
- 3.6 Actions we will take to ensure that we achieve these targets are:

- Promote new downloading services as part of the audio visual subscription ticket, and target new audiences such as commuters
  - Continue to promote the Jubilee Library conference hire facilities which have been exceeding income targets
  - Further developing the range of merchandise sold in the Booklover store retail outlet and increasing visitor spend ratio
  - Exploit the flexible space available in Jubilee Library to promote after hours hire of the entire ground floor for prestigious events at premium rates.
- 3.7 The full list of Libraries fees and charges proposed for 2011/12 are attached as appendix 2.

#### **4. VAT Increase:**

- 4.1 The increase in VAT in January will have very minimal impact on Libraries as most VAT relates to our retail sales and so will be passed on to customers. Only services such as photocopying, printing and faxes attract VAT and the impact of the increase is estimated to be £560 p.a. based on current usage. It is anticipated that this can be covered within existing income levels.

#### **5. CONSULTATION**

- 5.1 Market research comparing our charges with other library authorities or other similar service providers has taken place.

#### **6. FINANCIAL & OTHER IMPLICATIONS:**

##### Financial Implications:

The overall income target for the Library Service in 2011/12 is approximately £430k, of which £8k is in respect of inflationary increases. It is anticipated that this target can be achieved and surpassed by a combination of improved performance, the introduction of new services and the proposed increases in fees. It is estimated that these measures will generate additional income in the region of £60k which would be used to offset unavoidable increases in costs elsewhere within the Library service.

Finance Officer Consulted: Michelle Herrington

Date: 12 Nov 2010

##### Legal Implications:

There are no direct legal implications arising from the contents of this report. The Council must take the Human Rights Act 1998 into account in respect of it's actions and it is not considered that any individual's or groups' Human Rights would be adversely affected by the recommendation or contents of this report.

Lawyer Consulted: Bob Bruce Principal Solicitor Date: 9 Nov 2010

Equalities Implications:

- 6.1 The increases in Libraries fees and charges are off-set by the provision of concessionary and exemption rates for those in most need.

Sustainability Implications:

*Sustainable Consumption and Production:* The introduction of e-books and other downloading services will move some library usage over to more sustainable electronic formats.

*Climate Change and Energy:* No implications.

*Natural Resource Protection and Environmental Enhancement:* No implications.

*Sustainable Communities:* The holding of most of the Libraries fees and charges at the current level, and the maintenance of concessionary and exemption rates will enable more people to make use of Libraries facilities and services, and so contribute to the development of more sustainable communities.

Crime & Disorder Implications:

- 6.2 There are no crime and disorder implications.

Risk and Opportunity Management Implications:

- 6.3 There is a risk that the income targets for next year will not be met. This is mitigated by the plans set in place to stimulate more income through existing sources. There is an opportunity to increase income from the promotion of the new downloading services to new target audiences.

Corporate / Citywide Implications:

- 6.4 The proposals support the corporate priority to **'Reducing inequality by increasing opportunity'**. The holding of most Libraries fees and charges at the current level will enable more people, especially those most disadvantaged, to make use of Libraries services, as we are one of the few leisure and learning services that can be used at low cost or for free. Overall, the fees and charges support children and young people through the provision of mainly free services to children (no overdue charges, free special services such as Baby Boogie, Homework clubs, etc). Provision of concessionary rates for disabled people and those on low incomes, special provision for people with learning disabilities, and discount cards for people aged 60 and over, all target support for the most vulnerable in our society.

**7. EVALUATION OF ANY ALTERNATIVE OPTION(S):**

None considered.

**8. REASONS FOR REPORT RECOMMENDATIONS**

- 8.1 To set appropriate fees and charges for Libraries Services in order to meet the increased income targets resulting from inflation and service pressures.

### **SUPPORTING DOCUMENTATION**

1. **Appendices:**
  1. Comparison authority charges
  2. Libraries Fees and Charges proposed
  
2. **Documents In Members' Rooms**

None
  
3. **Background Documents**

None



### Appendix 1: Comparisons with other authorities

- Information obtained via SINTO\* 2010
- DVD hire length varies between 2/3/7 days
- British Library reservation charge listed separately where known
- ? means SINTO has no information

<b>Neighbouring authorities</b>			
Authority	Adult fines	DVD hire	BL reservation
Brighton & Hove	15p	£3.00/£1.50	£2.50
East Sussex	17p	£3.00	£2.50
West Sussex	17p	£3.00/£2.25	£4.00
Surrey	13p	£2.00	?
<b>SELMS consortium</b>			
Authority	Adult fines	DVD hire	BL reservation
Buckinghamshire	20p	£2.20/£1.10	£3.50
Hammersmith & Fulham	15p	£2.00	£5.60
Kent	15p	£2.50/£1.00	£2.00
Medway	17p	£3.50/£2.50	£2.00
Milton Keynes	25p	£2.75	£3.00
West Berkshire	18p	£3.00/£2.00	£5.00
Windsor & M	16p	£2.85/£2.50	£3.00
Wokingham	17p	£2.85	£5.50
<b>CIPFA Comparator group</b>			
Authority	Adult fines	DVD hire	BL reservation
Bournemouth	17p	£3.00/£2.00/£1.50	£2.50
Brent	18p	£2.50	?
Bristol	15p	£3.00/£1.00	£3.00
Derby	15p	£2.50	£2.00/£5.00
Enfield	16p	£2.50/£1.50	£2.00
Hillingdon	15p	£3.00/£1.50	£3.00
Lewisham	10p	£2.50	75p

Middlesborough	12p	£2.70/£1.50	£6.25
Portsmouth	12p	£3.00/£2.00	?
Sheffield	10p	£2.00	£3.00
Southampton	10p	£3.50/£1.00	£2.50
Walsall	12p	£2.50/£1.50	?
Wolverhampton	15p	£1.50	?
York	15p	£2.50/£1.50	£5.00

\* SINTO is a Sheffield based information organisation that collects and publishes statistical information on library authorities across the country.

### Research Fees:

<b>Research fees</b>	
<b>Current Fees in Brighton &amp; Hove</b>	
Research requests that can be completed in less than 10 mins	Free
Non commercial requests charged per hour or part thereof	£10.00
Commercial request charged per hour or part thereof	£20.00
<b>Proposed</b>	
Enquiries	Free
Non Commercial requests charged per hour or part thereof	£20.00
Commercial requests charged per hour or part thereof	£40.00

<b>Comparable Services</b>	
<b>East Sussex Records Office</b>	
Non Commercial requests charged per hour or part thereof	£20.00
Commercial requests charged per hour or part thereof	£40.00
<b>West Sussex History Centre</b>	
Short research service 30 mins	£15.00
Research per hour	£30.00
<b>Surrey History Centre</b>	
Per 1/2 hour up to 3 hours	£11.75

## APPENDIX 2

### LIBRARY SERVICE PROPOSED FEES AND CHARGES 2011-12

(Proposed changes are highlighted)

<b>SUMMARY OF CHARGES:</b>	Current	Date last changed	Proposed
<b>RESERVATION CHARGES</b>			
Items in stock in Brighton & Hove	50p	2008	50p
<b>Inter-library loans from outside Brighton &amp; Hove</b>	<b>£2.50</b>	<b>2008</b>	<b>£3.50</b>
Inter-library loans from authorities in SELMS Consortium	£2.00	2009	£2.00
Print Disabled card holders – print and talking books	Free	Pre 1997	Free
Print Disabled card holders – all other materials incl AV	Half price	2008	Half price
Exempt card holders (people with learning disabilities) – All materials	Half price	2008	Free
Concessionary Card Holders	Half price	Pre 1997	Half price
<b>LOST ITEMS - CHARGES</b>			
Books and other resources (all members)	Replacement cost	Pre 1997	Replacement cost
Computer ticket replacement (all members)	£1.00	Pre 2000	£1.00
<b>TALKING BOOKS CHARGES</b>			
Spoken word recordings (abridged editions) Single Issue Fee per 3 week loan	80p	Pre 2000	80p
Spoken word recordings (unabridged editions) Single Issue Fee per 3 week loan	£1.50	Pre 2000	£1.50
Spoken word loans to Print Disabled card holders	Free	Pre 1997	Free
Spoken word loans to Exempt card holders (people with learning disabilities)	Free	Pre 1997	Free
Spoken word loans to Concessionary card holders	Half price	Pre 1997	Half price
Language courses per 3 weeks (all members)	£2.00	Pre 2000	£2.00
<b>AUDIO VISUAL AND MUSIC CHARGES</b>			
Annual Subscription (enabling free CD loan and half price DVDs)	£30.00	2008	£30.00
Quarterly subscription (enabling free CD loan and half price	£10.00	2008	£10.00

## Appendix 2

DVDs)			
Music recordings Single Issue Fee for one week loan	£1.00	2008	£1.00
Scores per set – per month	£5.00	2002	£5.00
Video loans to adults per week	£1.00	2008	£1.00
Videos loans to children per week	£1.00	2008	£1.00
DVD loans to adults – Hire charge per week for premium films	£3.00	2008	£3.00
<b>DVD loans to adults – Hire charge per week for other DVDs</b>	<b>£1.50</b>	<b>2008</b>	<b>£2.00</b>
DVD loans to children – Hire charge per week	£1.50	2008	£1.50
All audio-visual loans to print disabled and concessionary card holders	Half price	2008	Half price
All audio-visual loans to Exempt Card Holders (people with learning disabilities)	Free	2009	Free
<b>OVERDUE CHARGES</b>	Current		Proposed
<b>Books on loan to adults - overdue charge per book per day with maximum charge of £6 per loan</b>	<b>15p</b>	<b>2008</b>	<b>20p</b>
Books on loan to children - overdue charge per day	No charge	2008	No charge
Videos on loan to adults and children - overdue charge per video per day	20p	2001	20p
Music CDs on loan to adults - overdue charge per CD per day – (all members)	20p	2008	20p
Toys - overdue charge per day	No charge	2008	No charge
DVDs on loan to adults – overdue charge per day – (all members)	60p	2008	60p
DVDs on loan to children – overdue charge per day	30p	2005	30p
Books and talking books on loan to print disabled card holders – overdue charges	Free	Pre 1997	Free
All loans, including loans of audio-visual material, to Exempt card holders (people with learning difficulties)	Free	2009	Free
<b>PRINTING, COPYING AND SENDING FAXES</b>			
<b>All charges apply to all library users:</b>			
Printing from IT equipment (charge per sheet)-black	10p	2002	10p
Printing from IT equipment (charge per sheet)-colour	50p	2000	50p
Photocopier charges A4 black and white	10p	2000	10p
A3 black and white	15p	2000	15p
A4 colour	£1.00	2000	£1.00
A3 colour	£1.50	2000	£1.50
Reader printer (Jubilee and Hove Libraries) per A4 sheet	50p	2000	50p
Reader printer (Brighton History Centre) per A4 sheet	80p	2006	80p

## Appendix 2

Fax – sending - per page	£1.00	2001	£1.00	
Fax – receiving - per page	10p plus £2 handling charge	2008	10p plus £2 handling charge	
<b>SUMMARY OF FEES FOR ADDITIONAL SERVICES:</b>				
<b>RESEARCH FEES</b>				
Research carried out by Library staff for private individual - flat rate fee per hour, plus any online fees, copying or printing costs.	£10	Pre 2000	£20	
Research carried out by Library staff for business/commercial user - flat rate fee per hour, plus any online fees, copying or printing costs.	£20	2006	£40	
Reader printers - extended use for researchers (per ½ day)	No charge	2008	No charge	
<b>EXHIBITIONS</b>	Current		Proposed	
Jubilee Library – commercial hire – fee per week	£100	2008	£100	
Jubilee Library – community/council hire - fee per week	£50	2008	£50	
Hove Library – fee per week	£20	2008	£20	
Hove Library - Hire of display cabinets – fee per week per cabinet	£10	2008	£10	
Above costs are within core library opening hours. Additional Facilities Management costs apply if access required outside these hours.				
<b>HIRE OF LIBRARY PREMISES</b>				
- Charge per Session (other than Jubilee Library)				
Commercial hire	Morning	£60	2008	£60
	Afternoon	£60	2008	£60
	Evening	£60	2008	£60
Community/council use	Morning	£25	2008	£25
	Afternoon	£25	2008	£25
	Evening	£25	2008	£25
Suitable premises are Hangleton training room, Patcham ICT training room, Coldean ICT room, and Libraries on closed days. Hire cost includes use of all facilities including IT at no extra cost.				
Library reserves right to pass on any additional costs incurred as a result of use, e.g. cleaning.				

## Appendix 2

<b>HIRE OF JUBILEE LIBRARY CONFERENCE ROOMS AND LEARNING CENTRE</b>			
Commercial hire – double room - full day	£575	2008	£575
Commercial hire – double room - half day	£380	2008	£380
Commercial hire – large room - full day	£320	2008	£320
Commercial hire – large room - half day	£220	2008	£220
Commercial hire - small room and learning centre - full day	£290	2008	£290
Commercial hire - small room and learning centre - half day	£180	2008	£180
Community/council use double room - full day	£400	2008	£400
Community/council use double room - half day	£290	2008	£290
Community/council use large room - full day	£220	2008	£220
Community/council use large room - half day	£140	2008	£140
Community/council use small room and learning centre - full day	£180	2008	£180
Community/council use small room and learning centre - half day	£110	2008	£110
Evening supplement for all hires per hour	£20	2008	£20
Activity space in children’s library – hire per hour	£25	2008	£25
Library main hall – available for hire	POA		POA
Hire costs (exclusive of V.A.T.) includes use of all facilities including presentation and IT equipment at no extra cost. Above costs are within core library opening hours. Additional Facilities Management costs apply outside these hours.			
<b>MISCELLANEOUS</b>			
Events and activities – while many are provided free to library users, sometimes a small charge is made to help cover costs.	Variable		Variable
Tours of Jubilee Library – (except for Brighton & Hove residents, other library authorities, and some professional colleagues, who will not be charged)	£25	2008	£25
Baby Boogie – charge per buggy regardless of number of Children	£1	2008	Free
<b>IMAGE REQUESTS – SERVICE FEES</b>	See separate list	2006	See separate list
<b>REPRODUCTION CHARGES</b>	See separate list	2006	See separate list

## Appendix 2

<b>SUMMARY OF CONCESSIONS AND EXEMPTIONS</b>	
<b>CONCESSIONARY CARD HOLDERS</b>	
Concessionary cards are for <b>people on low income</b> or for <b>people with disabilities</b> . Suitable proof of entitlement is required. (See list of accepted proofs)	
<b>Card holder entitlement:</b>	
Audio-visual materials, talking books, - hire charges	Half price
Reservations – all materials	Half price
All overdue charges	Full price
Language courses – hire charges and overdue charges	Full price
All other fees and charges	Full price
<b>SENIOR CITIZENS DISCOUNT SUBSCRIPTION CARD</b>	
<b>People aged 60 or over</b> can purchase an audio-visual discount card that will entitle them to half price audio-visual loans. Suitable proof of entitlement is required. (See list of accepted proofs)	
Annual or quarterly subscription card entitles holder to: Free CD loans Half price DVD loans (maximum 4 items at any one time)	Half price
<b>PRINT DISABLED CARD HOLDERS</b>	
Print disabled cards are only available for <b>people who cannot use standard print</b> – e.g. people with visual impairment, or people with dyslexia, or those with a physical disability that prevents them holding a book. Suitable proof of entitlement is required. (See list of accepted proofs)	
<b>Card holder entitlement:</b>	
Talking books – issues and overdue charges	Free
Reservations – print and talking books	Free
Reservations – all other materials	Half price

## Appendix 2

Audio-visual materials – hire	Half price
Audio-visual materials – overdue charges	Full price
Language courses – hire charges and overdue charges	Full price
All other fees and charges	Full price
<b>EXEMPT CARD HOLDERS (PEOPLE WITH LEARNING DISABILITIES)</b>	
Exempt cards are available for adults with learning disabilities, children with learning disabilities and special needs. Suitable proof of entitlement is required. (See list of accepted proofs)	
<b>Card holder entitlement:</b>	
Overdue charges - all materials	Free
Reservations – all materials	Free
Talking books – issues	Free
Audio-visual materials - hire	Free
Language courses – hire charges and overdue charges	Full price
All other fees and charges	Full price



# CULTURE, TOURISM & ENTERPRISE OVERVIEW & SCRUTINY COMMITTEE

## Agenda Item 48 Appendix D

Brighton & Hove City Council

<b>Subject:</b>	<b>Venues Fees &amp; Charges</b>		
<b>Date of Meeting:</b>	<b>CMM 7<sup>th</sup> December 2010 CTEOSC 26 January 2011</b>		
<b>Report of:</b>	<b>Strategic Director of Communities</b>		
<b>Contact Officer:</b>	Name: Penny Parker	Tel: 292642	
	E-mail: penny.parker@brighton-hove.gov.uk		
<b>Key Decision:</b>	No		
<b>Wards Affected:</b>	All		

### FOR GENERAL RELEASE/ EXEMPTIONS

#### 1. SUMMARY AND POLICY CONTEXT:

- 1.1 To set out the proposed fees and charges for 2011/12 for the Brighton Centre and Hove Centre.

#### 2. RECOMMENDATIONS:

- 2.1 That the Cabinet Member approves the Fees and Charges as shown in Appendices 1 (Hove Centre) and 2 (Brighton Centre) in order that they can be incorporated into the 2011/12 Revenue Budget and Venues Business Plan.

In addition, the Cabinet Member is asked to authorise officers to negotiate with each hirer in order to secure the event, maximise revenue to both the service and the economic impact to the city.

#### 3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 The proposed fees and charges for 2011/12 for the Brighton Centre and Hove Centre have been prepared on the basis of achieving the global increase of 2% inflation on income budgets which will automatically be included in the budget block allocation for 2011/12 as a part of the 3 year budget process.
- 3.2 In 2009/10 and the current financial year to date, a culturally and ethnically diverse combination of events has been held in the **Hove Centre** ranging from one day Local and Regional Conferences and Stakeholder Events, Fairs and Auctions, Citizenship Ceremonies, ethnic celebration and Wedding Receptions, Achievement Awards, Blood Donor sessions and Music and Dance events.

In 2009/10, 105 of the events held in the Great Hall & the Banqueting Suite, were classified as local or community based events, and in 2010/11 to date, the Hove Town Hall continues to offer a venue location to individuals and groups who reflect the city's diverse communities. Officers remain flexible in hire fee negotiations with organisers to encourage continued and regular, or repeat bookings.

### 3.3 During 2010/11 business levels in the Brighton Centre have included:

73 concert & public entertainment events (to date) plus 17 national or international conferences, meetings & trade exhibitions. Conference bookings have attracted delegate numbers of approximately 20,000 representing an economic impact in the region of £47,492,200 (*figures based on VisitBritain Economic Financial Impact study*).

Confirmed bookings for Conferences, Meetings & Trade Exhibitions at the Brighton Centre for 2011/12 currently stand at 18 events representing 90 days of occupancy. There are also unconfirmed bookings in the 2011/12 diary which will further increase the final diary commitments in this area, and therefore the economic impact to the city.

The Cabinet Member should similarly acknowledge the impact the work on improving areas within the Brighton Centre has already had on persuading clients to confirm events and business in both 2011/12 and beyond. This trend will continue as more work is done around the venue to improve client and customer satisfaction.

In addition, audited and evaluated in October 2010, the Brighton Centre and Hove Centre are the first venues to achieve <sup>1</sup>ISO14001 (International Standard) and <sup>2</sup>BS8901 (British Standard) combined certification. This achievement has generated positive publicity and a new marketing tool for the venues whereby they can offer clients the support to implement sustainability into event organisation, a criteria becoming more and more relevant within current market trends.

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<sup>1</sup>ISO 14001 is an international standard specification for an EMS. It allows an organisation to take a systematic approach to the evaluation of how its activities, products and services interact with the environment and to control those activities to ensure that established environmental objectives and target are met.

<sup>2</sup> BS 8901 is the new British Standard (September 2009) which has been developed specifically for the events industry with a purpose of helping the industry to operate in a more sustainable manner. The standard defines the requirements for a sustainability event management system to ensure an enduring and balanced approach to economic activity, environmental responsibility and social progress relating to events. It requires organisations to identify and understand the effects that their activities have on the environment, on society and on the economy both within the organisation and the wider economy; and put measures in place to minimise the negative effects.

- 3.4 The factors which Officers will consider when involved in negotiations include:
- a) Competitive environment
  - b) Client history
  - c) Stakeholder impact
  - d) Diary availability
  - e) Related income in terms of services and resources within the venues and city wide
  - f) Knowledge of market trends and industry developments.

#### **4. CONSULTATION**

- 4.1 Full assessment of customer satisfaction occurs with each and every event organiser and the assessment includes the quality of service and value for money, of which the cost of room hire is a factor.

Comparative research is undertaken in terms of the venue fees of competitors locally and nationally. This is done through independent study and collective comparative work via the NAA (National Areas Association) and the AIPC (International Association of Congress Centres), professional bodies to which the venues belong. Officers have the opportunity to attend national meetings and work around Best Practice, industry standards and legislation is undertaken.

#### **5. FINANCIAL & OTHER IMPLICATIONS:**

##### Financial Implications:

The 2011/12 room hire income targets for the Brighton Centre and the Hove Centre are £670k and £255k respectively. In addition to this, there are other income streams, mainly from entertainment events which are agreed by negotiation. The overall income targets for these venues are in excess of £2m (excluding Civic Hire charges) for the Brighton Centre and in the region of £370,000 for the Hove Centre. There are measures in place to improve income levels which include improved facilities and options/choices for customers. It is anticipated that these measures combined with the recommended increase in fees and charges will enable the venues to achieve their income targets in 2011/12

*Finance Officer Consulted: Michelle Herrington Date: 18/11/10*

##### Legal Implications:

There are no direct legal implications arising from the contents of this report. The Council must take Human Rights Act 1998 into account in respect of it's actions, but it is not considered that any individual's Human Rights would be adversely affected by the recommendation or contents of this report.

*Lawyer Consulted: Bob Bruce Date: 8/11/10*

### Equalities Implications:

Concessionary rates for both weekday and weekend bookings apply at The Hove Centre for registered charities locally based non-profit making organisations and local community groups.

An Equalities Impact Assessment for the Venues was completed in 2009 and helps guide decision making, business planning and operations.

Organisers of events requiring authentic ethnic catering can be permitted to use the Kitchens and can be exempt from the requirement to use the venues appointed caterer. In additional, and where appropriate based on attendance figures, the appointed caterer may waiver their manifest as sole catering provider at Hove Town Hall.

### Sustainability Implications:

- 5.2 There are no sustainability implications arising from the proposals in this report.

### Crime & Disorder Implications:

- 5.3 There are no crime and disorder implications arising from the proposals in this report.

### Risk and Opportunity Management Implications:

- 5.4 Risk implications are largely based around the price sensitivity of clients and the wider competitive environment. However it is believed that the market can bear these increased costs while the venues continue to focus to on continuously improving the overall value for money.

### Corporate / Citywide Implications:

- 5.5 Conferences, meetings, events and concerts bring approximately £732m of tourism and visitor revenue to Brighton & Hove's economy and the Brighton Centre and Hove Centre are central to this revenue in terms of the facilities and services they offer.

Contributing to the success and financial stability of a vast range of local business and services such as hotels, B&Bs, restaurants, transport and retail outlets, the successful utilisation of the venues sustains some 14,000 local jobs.

The venues' diverse programme of events similarly underpins the city's reputation as a vibrant and cultural city destination for both tourism and business.

## **6. EVALUATION OF ANY ALTERNATIVE OPTION(S):**

- 6.1 None considered.

## **7. REASONS FOR REPORT RECOMMENDATIONS**

- 7.1 To meet the income and savings targets for 2011/12.

### **SUPPORTING DOCUMENTATION**

#### **Appendices:**

1. Proposed Fees and Charges for the Brighton Centre 2011/12
2. Proposed Fees and Charges for the Hove Centre for 2011/12

#### **Documents in Members' Rooms**

1. None

#### **Background Documents**

1. None



# CULTURE, RECREATION & TOURISM CABINET MEMBER MEETING

## Agenda Item 48 Appendix E

Brighton & Hove City  
Council

**Subject:** *Seafront Fees and Charges*  
**Date of Meeting:** 7<sup>th</sup> December 2010  
**Report of:** *Strategic Director of Communities*  
**Contact Officer:** Name: *Toni Manuel* Tel: **29-0394**  
E-mail: Toni.manuel@brighton-hove.gov.uk  
**Key Decision:** No  
**Wards Affected:** All

### FOR GENERAL RELEASE

#### 1. SUMMARY AND POLICY CONTEXT:

- 1.1 To set out the proposed rent increase to the annual ground rent for beach huts along Hove seafront and for fishing lockers and boat licenses on both Brighton and Hove beaches.
- 1.2 To set out the fees and charges to passengers using Volks Railway.
- 1.3 To set out the charges made to organisers of outdoor events

#### 2. RECOMMENDATIONS:

- 2.1 That the Cabinet Member for Culture, Recreation and Tourism agrees the fees and charges as set out in this report.

#### 3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

##### Beach Huts

- 3.1 Beach huts are wooden and owned by members of the public who pay an annual fee to keep their hut on Hove Promenade. This is done using a licence agreement, which is renewable on 1<sup>st</sup> April each year

- 3.2 The beach huts are an extremely popular and sought after leisure facility which command prices well in excess of their construction value when placed on the open market by their owners. There are approximately 460 beach huts for which the current rent is £283.33 incl VAT per annum. It is proposed that the rental is increased to £295.15 (incl VAT at 20%) per annum.
- 3.3 Proposed charges for Beach Hut

	<b>Existing Charge</b> £ inc VAT (17.5%)	<b>Proposed Charge</b> £ inc VAT (20%)	<b>Percentage Change</b>
<b>Beach Huts Hove Prom</b>	283.33	295.15	2%

### **Fishing Lockers/Boat Licences**

- 3.4 There are a number of fishing lockers and boat lockers on the beach at both Madeira Drive and Hove seafront. Lockers and boat licences are issued each year to registered keepers. The various fees and charges are indicated below.

	<b>Existing Charge</b> £ inc VAT (17.5%)	<b>Proposed Charge</b> rounded up to 50p £ inc VAT (20%)	<b>% Change</b>
<b>Winch or Capstan Site</b>	22.50	23.50	2%
<b>Beaching Permit for pleasure/sailing/rowing boat</b>	30.00	31.50	2%
<b>Beach Lock Site – small (self build)</b>	22.50	23.50	2%
<b>Beach Lock Site – large (self build)</b>	45.00	47.00	2%
<b>Beach Locker – (locker owned by council)</b>	75.00	78.50	2%
<b>Beach Volleyball (hire fee per court)</b>	20.50	21.50	2%
<b>Beach Basketball Court</b>	Free	Free	0%

### **Volks Railway**

- 3.5 This year it is proposed to increase the fees for the coming season 2011/12 by 2% in line with other increases. In order to keep flexibility for special events it is proposed to keep the special event rate at £1. Details of the Volks Railway charges are detailed below.



	<b>Existing Charge 2010/11</b>	<b>Proposed Charge 2011/12</b> rounded up to 10p	<b>% Change</b>
<b>FULL JOURNEY</b>			
Adult -Single - Day return	1.80	£1.90	2%
	2.80	£3.00	2%
Child - Single - Day Return	0.90	£1.00	2%
	1.40	£1.50	2%
Senior Citizen - Single - Day return	1.10	£1.20	2%
	1.80	£1.90	2%
Family Ticket - Single - Day return	3.80	£4.00	2%
	6.40	£6.70	2%
Group Booking: Day return (each) - Adult - Child			
	2.10	£2.20	2%
	1.10	£1.20	2%
<b>HALF WAY STATION: PETER PAN</b>			
Adult - Single - Day return	1.00	£1.10	2%
	1.80	£1.90	2%
Child - Single - Day return	0.50	£0.60	2%
	0.80	£0.90	2%
Special	1.00	£1.00	0%
Child – to be under the age of 16 years and over 5. Senior Citizen – to be 60 years or over. Family Ticket – up to 5 people of which no more than 2 shall be over the age of 14. Group Booking – coach/school parties of 10 or more. <b>VAT – All proposed charges are inclusive of VAT (20%) where applicable.</b>			

### **Fees and Charges Outdoor Events**

- 3.6 Outdoor events are seen as a way of stimulating tourism and attracting visitors, enhancing the local economy and contributing positively to the City's profile through press and media coverage. In addition to the economic benefits, at a local level they foster a sense of community and bring local people together. Outdoor events are those which take place in parks, on the highway and on public open spaces within the City. They can be broadly categorized by their size, objectives of the organiser commercial, charitable or community.

The current hire charges exclusive of VAT for Madeira Drive are shown below:

<b>Category of event:</b>	<b>Charge for the</b>	<b>Proposed</b>	<b>Percentage</b>
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	<b>hire of Madeira Drive for the financial year 2010/11</b> £	<b>Hire Charges 2011/12</b> £	<b>Increase:</b>
Commercial	6750	7088	5%
Charitable/Community	2400	2448	2%
Enthusiasts	1350	1377	2%

- 3.7 Associated fees and charges need to be taken into account in relation to the publicity and marketing of events that are held in the city, charges are made for poster sites in various locations across the city. These fees are detailed below.

Advertising Boards	Current Rate	Proposed Rate	Percentage Increase
Per poster per 10 day period	3.38	4.66	2%

- 3.8 Large scale events that are held in parks and open spaces are considered on an individual basis. The rationale on what fees and charges are to applied is set in the Outdoor Events – Charging Policy

#### **4. CONSULTATION**

- 4.1 The ability to revise rents is prescribed within the tenancy and licence agreements for each property. Notice of the revised rents is given at least 2 months prior to registered owners and keepers being billed by the Central Collections Team.

#### **5. FINANCIAL & OTHER IMPLICATIONS:**

##### Financial Implications:

- 5.1 The Budget Process Report 2010/11 agreed at Cabinet in July 2009, specified that Fees and Charges are assumed to increase by a standard inflation rate each year, which is 2% for 2011/12. In general the fees and charges proposed in this report reflect the requirement for a 2% increase, and also take into account the new rate of VAT applicable from 1<sup>st</sup> January 2011.

*Finance Officer Consulted: Karen Brookshaw Date: 19/11/10*

##### Legal Implications:

- 5.2 The changes proposed in this report are considered to be reasonable and appropriate and sufficient time has been allowed for giving proper notice of the changes.

*Layer Consulted: Bob Bruce*

*Date: 25/11/10*

Equalities Implications:

- 5.3 The events and services that this report covers caters for people from all sections of the community.

Sustainability Implications:

- 5.4 None in relation to the setting of fees and charges

Crime & Disorder Implications:

- 5.5 None in relation to the setting of fees and charges

Risk and Opportunity Management Implications:

- 5.6 Although it is proposed the fees are being increased there is still huge demand from residents for beach huts and fishing lockers.

Corporate / Citywide Implications:

- 5.7 The services detailed in this report provide a significant number of leisure opportunities for a catchment area that includes the whole city.

**6. EVALUATION OF ANY ALTERNATIVE OPTION(S):**

- 6.1 None

**7. REASONS FOR REPORT RECOMMENDATIONS**

- 7.1 Fees and charges for fishing lockers, boats and beach huts are reviewed each year. There is a requirement within the terms of the agreement that is issued to the occupier that two clear months notice is given of proposed increases before they can be passed on and implemented.

**SUPPORTING DOCUMENTATION**

**Appendices:**

1. None

**Documents In Members' Rooms**

1. None

**Background Documents**

1. None

**EXTRACT FROM THE DRAFT MINUTES OF CULTURE, RECREATION & TOURISM  
CABINET MEMBER MEETING, 7 DECEMBER 2010**

**Present:** Councillor Smith (Cabinet Member)

**Also in attendance:** Councillors: Davis (Opposition Spokesperson) and Randall

**PART ONE**

**39. FEES AND CHARGES : LIBRARIES**

- 39.1 The Cabinet Member considered a report of the Strategic Director of Communities seeking approval to the levels of fees and charges for Library Services for 2011 - 12
- 39.2 The Head of the Libraries and Information Service explained that in line with the agreed Corporate Fees and Charges Policy the service was required to carry out an annual review. Only limited changes were proposed for the coming year in recognition that substantial changes had been made two years previously and to reflect the fact that the economic position of some residents of the city remained volatile. Income would be raised from a mixture of increased income from fees and charges and improved performance in the services' room hire and retail offer. A significant development during the coming year would be the introduction of downloading services, including free e-books for loan, free digital audio-book loans and down loading of music and film.
- 39.3 Councillor Davis stated that whilst it was regrettable that increases were necessary the rationale for them was understood. It was noted that whilst the level of fines for adult borrowers would increase fines were not payable by children or those who were registered disabled. Councillor Davis queried the charges made for research and it was explained that that these were comparable with those made in East and West Sussex and Surrey. A distinction was made between commercial and non-commercial service users
- 39.4 Councillor Randall acknowledged that fines were avoidable and was pleased to note that where an e mail address was held that borrowers would be notified in advance of a book becoming overdue. He enquired whether facilities were available to text borrowers and it was confirmed this facility was not available at present.
- 39.5 The Cabinet Member enquired whether fines were incurred by a particular age group and it was explained that research was underway to ascertain whether that was the case.
- 39.6 **RESOLVED** - That the Cabinet Member approves the Libraries Fees and Charges Proposals for 2011-12.

**40. FEES AND CHARGES: VENUES**

- 40.1 The Cabinet Member considered a report of the Strategic Director of Communities setting out the proposed fees and charges for 2011/12 for the Brighton Centre and Hove Centre.
- 40.2 It was explained that the proposed levels of fees and charges had been prepared on the basis of achieving a global increase of 2% inflation on income budgets which would automatically be included in the budget block allocation as a part of the three year budget process. The diverse and flexible offer available at both venues had resulted in a diverse array of events during the current year and were detailed in the report.
- 40.3 Councillor Randall was pleased to note the level of confirmed bookings for the Brighton Centre, considering this had probably also been facilitated by the degree of certainty surrounding its immediate future.
- 40.4 **RESOLVED** - (1) That the Cabinet Member approves the Libraries, Fees and Charges as shown in Appendices 1 (Hove Centre) and 2 (Brighton Centre) in order that they can be incorporated into the 2011/12 Revenue Budget and Venues Business Plan; and
- (2) That in addition, the Cabinet Member authorises officers to negotiate with each hirer to secure the event and maximise revenue to both the service and the economic impact to the city.

**41. SEAFRONT FEES & CHARGES**

- 41.1 The Cabinet Member considered a report of the Strategic Director of Communities setting out the proposed rent increase to the annual ground rent for beach huts along Hove seafront and for fishing lockers and boat licenses on both Brighton and Hove beaches. The fees and charges for passengers using the Volks Railway and proposed to be made to organizers of outdoor events were also set out.
- 41.2 Councillor Randall enquired regarding whether the "Yellow Wave" beach volleyball facility was included in these proposals. It was confirmed that it was outside the remit of the report.
- 41.3 **RESOLVED** - That the Cabinet Member for Culture, Recreation and Tourism agrees the fees and charges set out in the report.

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