CAB1558 FOR DECISION WARD(S): ALL

CABINET

14 November 2007

TOWER ARTS CENTRE – RESPONSE TO PETITION

REPORT OF CORPORATE DIRECTOR (OPERATIONS)

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None

EXECUTIVE SUMMARY:

This report provides a response to the petition submitted at the meeting of Council on 31 October 2007. The petition asks that the City Council provide additional funding to enable the County Council to delay its decision to move the control and management of the Tower Arts Centre to the Kings School, from April 2008, pending a long term funding solution being reached. At this time it is uncertain what, if any, funding requirement exists. This report, therefore, recommends that a substantial delay should indeed be sought so that this can be clarified and a properly considered solution agreed.

RECOMMENDATIONS:

- That Cabinet considers the petition received in relation to the Tower Arts Centre and, in the light of the public opposition to the proposed transfer of the Centre to Kings School, invites the County Council to continue discussions aimed at securing a viable long term solution for the future programming and management of the facility.
- 2. That Cabinet confirms its willingness to continue to financially support the Tower Arts Centre programme in accordance with its existing policy.

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DETAIL:

1 Introduction

1.1 At its meeting on the 31st October 2007 the Council received a petition of some 1000 signatures with the following prayer:

"We, the undersigned, recognise the contribution that Winchester City Council makes to the Tower Arts Centre. The Tower is now under a significant and immediate threat. In view of the economic and cultural benefits that the Tower brings to the community we petition the City Council to urgently consider additional funding in the short term to allow time for a strategic solution to be found."

- 1.2 The petition has been checked and appears to be legitimate and the signatures contained therein to be genuine.
- 1.3 The petition has been generated by the proposal of the County Council to transfer the management and control of the Tower Arts Centre on Romsey Road in Winchester to the Kings' School from January 2008. The County Council has made clear that the purpose of this move is to save money on the operation of arts centres which it can no longer afford to resource.
- 1.4 The decision to move the Tower to the school was made at the decision day of the Executive Member for Recreation and Heritage on 5 July 2007. The Leader of the County Council did not confirm that decision at his decision day on 18 July 2007 and a decision was deferred again on 13 September 2007 pending further consultation. It will be considered for a fourth time on the 7 December 2007.
- 1.5 The situation with the Tower has been raised on behalf of Tower users at the most recent meetings of both the Local Economy Scrutiny Panel and the Principal Scrutiny Committee. The relevant minute extracts from these meetings and of Council itself are attached as Appendix A.

1.6 Background

1.7 The County Council decision to cease support for the Tower Arts Centre arises from its long term review of arts centre funding across Hampshire. The City Council did not receive an opportunity to negotiate any alternative to the County Council's proposals (although it was notified of the decision the County had reached before it was formally made public). The City Council has therefore had to respond on a similar timetable to other external organisations to the decision.

- 1.8 The City Council has recently made the Tower Arts Centre a key client in recognition of its contribution to arts and the community and provides revenue funding of £21,000 per annum.
- 1.9 Its own reports acknowledge that the County Council has not produced any detailed analysis of the management implications nor received a business plan from the school for the future operation. This was recognised by the Leader of the County Council at his July decision day. It is expected that such a business plan will be produced before a final decision is taken.
- 1.10 In recognition of the concerns in the community, the City Council agreed to co-fund a short report on the economics of the Tower and the management options which resulted in the report by Caroline Felton which is a background document to this report and is available on line via the City Council website. The brief for the report was agreed between the two Councils but the County Council made clear that a status quo option would not be considered.
- 1.11 The report was presented at a public meeting on the Tower held in the Guildhall on 1 November 2007 at which the County Council presented its case for transfer. It would be fair to report that the overwhelming majority of members of the audience (which filled the King Alfred Hall) did not support of the County Council position.

1.12 Future of the Tower

- 1.13 The consultant's report looked at the operation of the Tower and concluded that it was both valuable and efficient. Continued operation of the Tower as it stands would therefore be dependent upon the maintenance of an existing level of annual subsidy and the maintenance of the building. The County Council has already said that 'no change' in the annual funding situation is not an option.
- 1.14 However, the County Council's position now appears to go further; it appears that it is not willing to consider any redistribution of the balance of annual funding because it is unwilling, as a matter of principle, to continue to own and maintain the building.
- 1.15 Transfer of the Tower to the Kings' School solves this problem for the County Council because maintenance of the building will become a matter for school funding via central government funds.
- 1.16 The major uncertainty is over what, if anything, would remain of the Tower as an entity after transfer to the school. The school has not produced a business plan or any written confirmation of the programme it would offer, although the County Council has said that it requires this before agreeing to proceed. The Headteacher has stated that the school will not offer any evening programming, nor will they manage any of the events such as the Children's Festival which are, many would say, the essence of the Tower. The staff would not be retained. The school cannot be criticised for not wishing to operate an arts centre that is not part of its function but it would be unusual for the transfer of a substantial operational entity to take place from one public body to another without detailed knowledge of what is to be done with it.
- 1.17 In the circumstances it is difficult to conclude anything other than that the transfer represents a fundamental change in the nature of the Tower rather than a transfer of responsibility.

1.18 If the City Council were to make some additional funding available, this, together with any funding provided by other organisations, would help to reduce the burden of funding on the County Council. It is not clear, however, whether or not the County Council would consider changing its position over the transfer in response to such an offer. There is strong public support for the continuation of the Tower as it is, but it is for the County Council to make decisions in response to its own circumstances. Nevertheless, in the absence of clarity over the school's plans, it is suggested that the County Council be asked to defer any final decision on the future of the Tower whilst a balanced and sensible plan for future funding and programming be developed, which may involve the school, University of Winchester and the two Councils. This seems a sensible response to the situation as it has arisen and the public response.

OTHER CONSIDERATIONS:

- 2 <u>CORPORATE STRATEGY (RELEVANCE TO)</u>:
- 2.1 The Council's Corporate Strategy states that the Council gives a priority to increasing opportunities to participate in sporting and cultural activities. Issues affecting a key local arts facility are therefore of concern to the Council in pursuing this objective.
- 3 RESOURCE IMPLICATIONS:
- 3.1 There are no financial implications arising from this report.

BACKGROUND DOCUMENTS:

Consultant's report

APPENDICES

Appendix A - Relevant Minute extracts.

APPENDIX A

MINUTE EXTRACTS RELATING TO THE TOWER ARTS CENTRE

A) PRINCIPAL SCRUTINY COMMITTEE - 22 October 2007

'GENERAL FUND BUDGET 2008/09

(Report CAB1536 refers)

Councillor Collin declared a personal and prejudicial interest in this matter as he was employed by Hampshire County Council which provided grant funds to the Tower Arts Centre. He left the room during debate when the funding of the Tower Arts Centre was referred to.

Councillor Tait declared a personal (but not prejudicial) interest in this matter as he was the Council's appointed representative on the management board of the Tower Arts Centre, but this had yet to meet. He remained in the room during the debate when the funding of the Tower Arts Centre was referred to and both spoke and voted thereon.

Councillor Allgood declared a personal (but not prejudicial) interest with regard to the Tower Arts Centre, as he was a member of Hampshire County Council which provided grant funds to the Tower Arts Centre. He remained in the room and spoke on the Tower Arts Centre in addition to other issues when requested to do so by the Committee.

During debate, Councillors Beckett and Allgood responded to a number of detailed questions as summarised as follows:

- it was not envisaged that the pressures on the budget would impact significantly on the delivery of the Council's Corporate Objectives. This included those related to the creative economy and tourism etc, especially having regard to the pressures on the grant support of the Tower Art's Centre.
- Councillor Beckett stated that, as a general principle, he would not wish the County Council to assume that the City Council would compensate in future years for any cuts to services that it jointly funded.
- Councillor Beckett reported that the Council was committed to grant support for both the Theatre Royal and the Tower Arts Centre. He reported that once an options appraisal report for the Tower Arts Centre had been published, this would be given due consideration by Cabinet.

The Committee referred to the presentation on the future of the Tower Arts Centre given by Mr Marsden during Public Participation. Members were in agreement that Cabinet should endeavour to maintain its grant support to the Centre and also to the Theatre Royal. Some Members reported on the value both facilities brought to the District, both directly through their cultural events and also indirectly by encouraging visitors. The Chairman reported on an apparent correlation between the promotion of the arts and the attracting of entrepreneurial business activities to the area, and residents with high value jobs. A Member was concerned that Hampshire County

Council and the City Council had both invested heavily in the new Discovery Centre and that the County Council should have indicated at an earlier stage that a consequence of this investment might be to withdraw funding for the Tower Arts Centre.

At the conclusion of debate, it was agreed that Cabinet should be requested to, in light of the options appraisal for the Tower Arts Centre, investigate how the Council can provide future support to the facility.

RESOLVED:

- 1. That the content of the Report be noted.
- 2. That Cabinet be requested to investigate how the Council can provide future support to the Tower Arts Centre in light of the options appraisal.'

B) LOCAL ECONOMY SCRUTINY PANEL – 24 October 2007

'PUBLIC PARTICIPATION

Mr Alistair Marsden then addressed the Panel, regarding the written submission he had made about the Tower Arts Centre. He stated that the Centre was heavily used and that, should it be transferred to Kings' School, a valuable community asset would be lost. He believed that the centre was important for the cultural and economic wellbeing of the City, as well as serving a relatively deprived area of Winchester. Mr Marsden expanded on the tourism benefits the Centre could provide and that, with an improved marketing strategy, more visitors could be attracted to the venue.

Mr Marsden proposed to the Panel that Winchester City Council provide core funding to the Tower Arts Centre of £58,000 per annum for three years to be matched with the same amount from Hampshire County Council. He confirmed that he had not approached Hampshire County Council regarding this proposal at the time of the meeting. Mr Marsden concluded that a petition had been submitted, containing 60 signatures, which would be presented to full Council on 31 October 2007.

Councillor Beckett reported that a consultant had been contracted to carry out an options appraisal for the Tower Arts Centre and that this report was due to be published shortly. Sources of funding from other organisations were also being considered and, on receipt of the consultant's report, this issue would be pursued and discussed with the Leader of Hampshire County Council.

RESOLVED:

- 1. That the concerns of Councillor Bell regarding the Winchester to Romsey bus service be noted by the Chairman and passed onto the Portfolio Holder for Planning and Transport and the Leader.
- 2. That Mr Marsden be thanked for his representation regarding the future of the Tower Arts Centre and that it be noted by the Portfolio Holder for Economy and Tourism.'

C) COUNCIL – 31 October 2007

'PETITION

The Mayor informed the Council that there was one petition to be presented, from Mr Alistair Marsden, regarding the proposed closure of the Tower Arts Centre, Winchester.

Councillors Collin and Godfrey each declared personal and prejudicial interests with regard to the subject matter of the petition, as they were employees of the County Council. Councillor Love declared a personal and prejudicial interest as he was a member of the petitioner's organising committee. All three Members remained in the meeting to listen to the presentation by Mr Marsden and then left the chamber whilst the item was discussed by Council.

The following Councillors declared personal (but not prejudicial) interests with regard to the petition for the reasons stated; they all remained in the meeting throughout the consideration of the item:-

Councillor Allgood – Member of Hampshire County Council.

Councillor Barratt – attended User Group meetings.

Councillor Bell - attended User Group meetings.

Councillor Coates – Vice Chairman of Stanmore Combined.

Councillor Fall - Ward Member.

Councillor Jackson – attended events at the Centre.

Councillor Nunn – Ward Member.

Councillor Stephens – Ward Member.

Councillor Tait – City Council representative on the Management Committee.

Councillor Verney – Deputy City Council representative on the Management Committee.

Councillor Tait explained that although he had been nominated as the Council's representative on the Management Committee, it had not met during his term of office and was now disbanded.

In his presentation, Mr Marsden made the following points:-

- (a) the petition to keep the Centre open had been signed by 1,007 people in just seven days and the online petition, which would be submitted to the Prime Minister, had been supported by 1,200 people.
- (b) the City Council clearly recognised the cultural and community importance of the Centre by recently awarding it Key Client Status, but more could be done to support its future financially, as many arts facilities were funded by district councils (e.g. Basingstoke and Chichester).
- (c) there were good links with the Stanmore community and Kings School, both of which could be strengthened to the mutual benefit of all.
- (d) there was a strong economic business case for retaining and developing the Centre. Arts and cultural activities attracted large businesses which, together with the tourism aspect and other activities, generated considerable funds for

the local economy. It was estimated that this totalled around £500,000 in the case of the Tower Arts Centre, which also employed three full time and three part time staff.

In conclusion, Mr Marsden highlighted that the County Council was due to determine the future of the Centre on 9 December 2007 and he urged the City Council, if necessary, to meet the financial shortfall, which he considered it could do without creating a precedent.

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The Mayor thanked Mr Marsden for his presentation and invited him to remain, as the Council would now have a discussion about the matters he had raised.

In accordance with Council Procedure Rule 15(6) the Council had a general discussion about the above.

There was general agreement that the Tower Arts Centre provided a much valued facility, which served many communities in the District, including people who would otherwise have little opportunity to experience such activities. Some Members recalled that when the City Council contributed £1m towards the Discovery Centre, it was not suggested that there would be a reduction in other arts facilities in the District. The Discovery Centre did not have the space to provide replacement facilities and it was also unlikely that, should Kings School assume some form of control over the Tower Arts Centre, it would be able to reproduce the quality and variation of the existing programme. In fact, it seemed clear that the School only wished to operate the building, not the events.

Other Members emphasised the economic and cultural contribution of the Centre and queried why the decision was being rushed, when further research was clearly required. Seeking support from the University of Winchester was also suggested.

In responding to all of the above, the Leader confirmed that he was very much in favour of retaining the Tower Arts Centre, but that did not mean that the City Council would be able to meet the County Council's contribution, should it be withdrawn. The City Council currently gave the Centre a £21,000 grant and that would continue. It would also help to seek other sources of funding, including from the University, which had already been contacted. Although Kings School had indicated a willingness to operate the building, there were many details about its involvement still to be resolved (e.g. what days/hours would the School make the building available?). A public meeting about the proposed closure would be held on 1 November 2007 and the Leader would be in attendance to hear further views. Cabinet would receive a report on 14 November 2007.'
