



Sheffield City Council Place

Report to Economic and Environmental Wellbeing Scrutiny Committee

DATE

**28th November
2012**

REPORT OF THE DIRECTOR OF CULTURE

ITEM

SUBJECT: THE FOUR MAJOR CULTURE/SPORTS TRUSTS

SUMMARY

Sheffield City Trust (SCT), Museums Sheffield (MS), Sheffield Industrial Museums Trust (SIMT) and Sheffield Theatres Trust (STT) together attract 6 million visits and contribute significantly to the cultural and sporting life of the city. They also make a significant contribution to promoting the city's image and generating economic impact.

Overall the trusts have a high level of satisfaction in their services and contribute significantly to the achievement of the City Council's desired outcomes, the 'Better Health and Wellbeing', 'A Great Place to Live' and a 'Vibrant City'. The common challenge ahead is the financial situation that they, the Council and other funders face. However, the City Council is committed to working with the trusts to ensure their sustainability in preparation for a more positive economic position.

RECOMMENDATIONS

That the Board note the report.

RELEVANT SCRUTINY BOARD IF DECISION CALLED IN

FINANCIAL IMPLICATIONS ~~YES~~/NO

PARAGRAPHS

CLEARED BY

EQUALITY IMPACT ASSESSMENT CARRIED OUT? ~~YES~~/NO

PARAGRAPHS

CLEARED BY

BACKGROUND PAPERS

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AREA(S) AFFECTED

CATEGORY OF REPORT

OPEN

~~CLOSED~~
Paragraph (s)

Statutory and Council Policy Checklist

Financial implications
YES/NO Cleared by:
Legal implications
YES/NO Cleared by:
Equality of Opportunity implications
YES/NO Cleared by:
Tackling Health Inequalities implications
YES/NO
Human rights implications
YES/NO :
Environmental and Sustainability implications
YES/NO
Economic impact
YES/NO
Community safety implications
YES/NO
Human resources implications
YES/NO
Property implications
YES/NO
Area(s) affected
N/A
Relevant Scrutiny Board if decision called in
N/A
Is the item a matter which is reserved for approval by the City Council? YES/NO
Press release
YES/NO

EXECUTIVE DIRECTOR
PLACE

REPORT TO the:
ECONOMIC AND ENVIRONMENTAL WELLBEING SCRUTINY COMMITTEE

THE FOUR MAJOR CULTURE/SPORTS TRUSTS

1. PURPOSE OF THE REPORT

- 1.1 To report on the performance of the four major culture/sport trusts -Sheffield City Trust Group, Sheffield Museums and Galleries Trust (Trading as Museums Sheffield), Sheffield Industrial Museums Trust and Sheffield Theatres Trust.

2. BACKGROUND

- 2.1 The facilities-based cultural and sports services originally provided by Sheffield City Council are now provided through independent trusts, the final tranche of sports facilities being transferred to SCT from 1st July 2011. This report covers three such trusts, Sheffield City Trust Group (SCT Group), Sheffield Galleries and Museums Trusts (MS) and Sheffield Industrial Museums Trust (SIMT). In addition, the report also covers the Sheffield Theatres Trust (STT) where the service has never been provided by the City Council but is seen as an essential part of the city's cultural offer and as such has been supported by the City Council since its inception in 1995 and before that via its predecessor "trusts"
- 2.2 The reasons behind the focus on delivery via independent trusts is that each Trust can solely focus on its business and not be distracted by the wider corporate needs that exist within the Council, they can and have developed their own expertise in that area of the service and they have the ability to be more "fleet of foot".
- 2.3 Each trust is very different in its structure and approach and therefore while the overview element of this report covers all four, each Trust has been allocated a separate section within the report.

3. OVERVIEW

- 3.1 The four trusts covered by this report between them were allocated £8.6m revenue support in the original SCC 12/13

revenue budget which equates to around 40% of the Culture and Environment budget. This indicates the significance of these trusts to the cultural and sporting provision within the city.

- 3.2 Between them they attracted over 5.9m visits. In terms of pure visits, therefore the overall SCC subsidy support per visit is in the region of £1.40 per visit.
- 3.3 Highlights over the past twelve months include:
- The award to SIMT of the Heritage Lottery award to fund the redevelopment and restoration of the Abbeydale Industrial Hamlet.
 - The contribution from all Trusts re the Cultural Olympiad.
 - The award of a £1.2M Arts Council development grant to MS
- 3.4 The challenges going forward for all the trusts focus on the ever tightening budget provision given the economic circumstances the Council is facing and indeed other funders are also facing. There are however important operational challenges and opportunities ahead.
- The delivery of the Abbeydale Industrial Hamlet project to bring the water wheels back into operation for the first time in over 20 years. This is along side other significant projects at Kelham Island, Hawley 2 and the Brewing Gallery.
 - The re-structuring of the Museums Service with the help of the Arts Council England Strategic Support grant. This is to support the transition to a more sustainable business model for the Museums.
 - The potential for the SCT Group to obtain further contracts outside the Sheffield geographic area in order to earn profits to support the existing facilities.
 - Maintaining the standard of Shows and Exhibitions given the reduced funding levels from all sources.
- 3.5 Overall, the opportunities going forward are exciting despite the challenges. The Trusts play a major role in marketing this city, they attract many visitors to the city be it for sporting events, exhibitions, shows or just as tourists, they provide the cultural infrastructure which can make the difference to businesses and individuals when they are looking to re-locate and they provide an important element of the quality of life for the citizens of the City and indeed the region. It is important as we look to the future and to the recovery of the economy that the services the trusts provide are visible and of high quality as they make their full contribution to the social and economic regeneration of the city.

4..1 Sheffield City Trust Group

- 4.1.1 SCT is the parent Trust and it provides support services to the other group companies including Sheffield International Venues (SIV with its subsidiary company SIV Enterprises Ltd (SEL) and the newest company, 7 Hills Leisure Trust (7HLT). This organisation has now become a complex grouping and Appendix A shows one view of the governance and reporting structures which are still evolving.
- 4.1.2 SCT has a charitable role and fulfils this through not only the charitable objectives of the facilities but also through direct grant aid provided to community groups and individuals.
- 4.1.3 SIV operates the following facilities:
- Ponds Forge ISC
 - Don Valley Athletics Stadium
 - ICE Sheffield
 - Hillsborough Leisure Centre
 - Sheffield City Hall
- In addition they sub contract the operation of the Motorpoint Arena to Live Nation and operate the English Institute of Sport (EISS). Recently they have won the contract and commenced operating Scarborough Spa and Whitby Pavilion.
- 4.1.4 SEL currently has two operating contracts, Tapton Golf Course and the catering at Stavely Healthy Living Centre, both awarded by Chesterfield Borough Council
- 4.1.5 7HLT operates the following facilities:-
- Concord Leisure Centre
 - Stocksbridge Leisure Centre
 - Springs Leisure Centre
 - Heeley Pool
 - Graves Tennis and Leisure Centre
 - Beauchief Golf Course
 - Birley Golf Course
 - Tinsley Golf Course
- 4.1.6 In terms of revenue support, SCC is providing a total of £5,494,700. This excludes the Major Sports Facilities financing costs and the Charitable grant of £71k used to fund the activity outlined in 4.1.2 above.
- 4.1.7 Appendix B shows the attendance figures for SCT operated facilities over the last two financial years (in the case of the most recent transfers, the 10/11 figures and the first 3 months of 11/12 reflect the usage under SCC Management
- 4.1.8 SCT Group carries out regular customer satisfaction surveys and has “kiosks” where customers can quickly register their

satisfaction ratings for the facilities. They also undertake mystery shopping and this is further cross checked against such award processes such as Quest, which is the general leisure industry accreditation award, and the Flame awards that are specific to the fitness element of the industry. All SIV operated facilities hold the Quest award and both Hillsborough and Concord have been winners of the Flame award in recent years.

4.2 Museums Sheffield

- 4.2.1 Sheffield Galleries and Museums Trust branded itself as Museum Sheffield (MS) in 2008 and currently trades under that name. It operates the Millennium Galleries, Graves Art Gallery, and Weston Park Museum as well as having a major store at Acres Hill. A table indicating the Governance and reporting structures in relation to MS is included as Appendix C
- 4.2.2 In addition to being responsible for the City Collection, MS also has responsibilities for the Ruskin Collection which is owned by the Guild of St George and has relationships with various National Galleries, the principle of which is the V&A but includes the Tate and the National Portrait Gallery. These relationships have aided MS in terms of the exhibitions that it has been able to install within the galleries, but future V&A exhibitions are likely to be both fewer and less elaborate due in part to the capacity of MS to install such exhibitions and in part due to a change in policy by the V&A.
- 4.2.3 As well as displaying art for general public enjoyment and enlightenment, MS has a significant education function and indeed SCC makes a specific grant of £40k towards an education programme. The programme in previous years was however mainly funded through the ACE Renaissance funding that finished last year. The work is therefore being reviewed in light of the reduced resources.
- 4.2.4 As a result of the loss of the ACE Renaissance funding and the non award of a Major Grant under the new ACE Funding stream, MS has undergone a major restructuring exercise over the past nine months to become a leaner organisation while successfully maintaining an active, high quality, exhibition programme. They submitted and were successful in being awarded ACE Strategic Support Funding. This funding is given for the express purpose of assisting the Museums to adapt their business model in order to become more sustainable. This will include in the case of MS looking at a more commercial approach to the business to reduce its reliance on other public sector funding including funding from SCC.
- 4.2.5 In 2012/13 the base budget to MS including the education funding amounts to £2,043,712 however as a result of inherited

cash flow problems accumulated over a period of time and highlighted when the renaissance funding ceased, it has been necessary to agree additional stabilisation funding in this year only.

- 4.2.6 As part of Appendix D the visitor figures for MS are itemised for the last two years.
- 4.3 Sheffield Industrial Museums Trust
 - 4.3.1 SIMT looks after the industrial and some of the social history collection for the City Council and is also instrumental in maintaining and bringing back into use the museum buildings at Kelham Island and Abbeydale Industrial Hamlet. The Hawley Collection, which is looked after by the Hawley Trust, is also located at Kelham Island providing an additional opportunity to display industrial and craft tools that relate to Sheffield. A diagrammatic representation of the governance and reporting structures as they relate to SIMT is attached as appendix E
 - 4.3.2 A recent extension of the service has been the involvement with the Shepherds Wheel where a contract from SCC is under negotiation for SIMT to open the wheel and to operate it.
 - 4.3.3 The base grant to SIMT in 2012/13 is £536,700. It should be noted that it was agreed to maintain this level of grant for a further two years in order to facilitate SIMT's successful bid to the Heritage Lottery for a grant toward the £995k scheme to provide a new learning centre/reception at Abbeydale Industrial Hamlet and to bring the water wheels there back into operational condition.
 - 4.3.4 As part of appendix F the visitor numbers for SIMT are itemised. It is pleasing to note that there is a slow upwards trend.
 - 4.3.5 SIMT has instigated a regular system of customer feedback and over the year to date the average satisfaction rating at Good or Excellent is 95.4%
 - 4.3.6 One of the main purposes behind SIMT, other than the conservation of the collection, is its education work. This aims to not only educate in terms of the city's industrial history but also to inspire the future generations of engineers and crafts people. To this end it has strong links with both universities and out of the visitors last year over 12,000 were school visits.
- 4.4 Sheffield Theatres
 - 4.4.1 The Theatres Trust is the term used to describe the overall group of Trusts that operate the three theatres, the Lyceum, the Crucible and the Studio. Appendix G gives a diagrammatic representation of the governance and reporting as it relates to

this group of trusts but it is important to note that they do not own the Lyceum Theatre, this is owned by the Lyceum Theatres Trust. A renewed long term lease for STT to operate and maintain the Lyceum is about to be signed.

- 4.4.2 The 2012/13 grant to the STT is £529,110 but it should be noted that SCC, while being a significant funder of STT, is not the major funder. Arts Council England is providing the major external support to STT in the order of £1M+.

Appendix H itemises the visitor numbers

- 4.4.3 Sheffield Theatres operates the largest theatre complex outside London and has a national and international reputation for producing work of the very highest quality. The Lyceum is a receiving theatre which offers a more commercial programme, with the profit helping to support the broader and sometimes more challenging work of the Crucible and Studio.

5. CONSULTATION

- 5.1 All the trusts have been consulted on this report.

6. LEGAL IMPLICATIONS

- 6.1 There are no legal implications from this report.

7. FINANCIAL IMPLICATIONS

- 7.1 There are no direct financial implications from this report.

8. PROPERTY IMPLICATIONS

- 8.1 There are no property implications from this report.

9. EQUAL OPPORTUNITIES IMPLICATIONS

- 9.1 All the Trusts operate their own Equal Opportunity policies and they are all open to visitors and citizens alike on a 'pay as you use basis' including discounts for target groups where charges are levied. To this extent their programmes are available to all Sheffield people and visitors and it is fair to say that all trusts share the Council's objective of maximising access and take up of the programmes. .

10. HUMAN RIGHTS IMPLICATIONS

- 10.1 There are no human rights implications from this report.

11. ENVIRONMENTAL SUSTAINABILITY

11.1 There are no environmental sustainability implications from this report.

12. COMMUNITY SAFETY IMPLICATIONS

12.1 There are no community safety implications from this report.

13. COMMUNITY ASSEMBLY IMPLICATIONS

13.1 There are no Community Assembly implications from this report.

14. CONCLUSIONS

14.1 The Trusts are important to the cultural and sporting life of the city and provide the Council with an excellent model for business-focused delivery of key services.

14.2 Overall they provide an excellent level of service that attracts high customer satisfaction and contribute to a wide range of social and economic goals of the city and the City Council. Like all organisations which utilise public funding, the trusts are facing challenging times in terms of squeezed customer spending and tightening public grant.

The City Council will continue to work closely with all the trusts to ensure their on going sustainability.

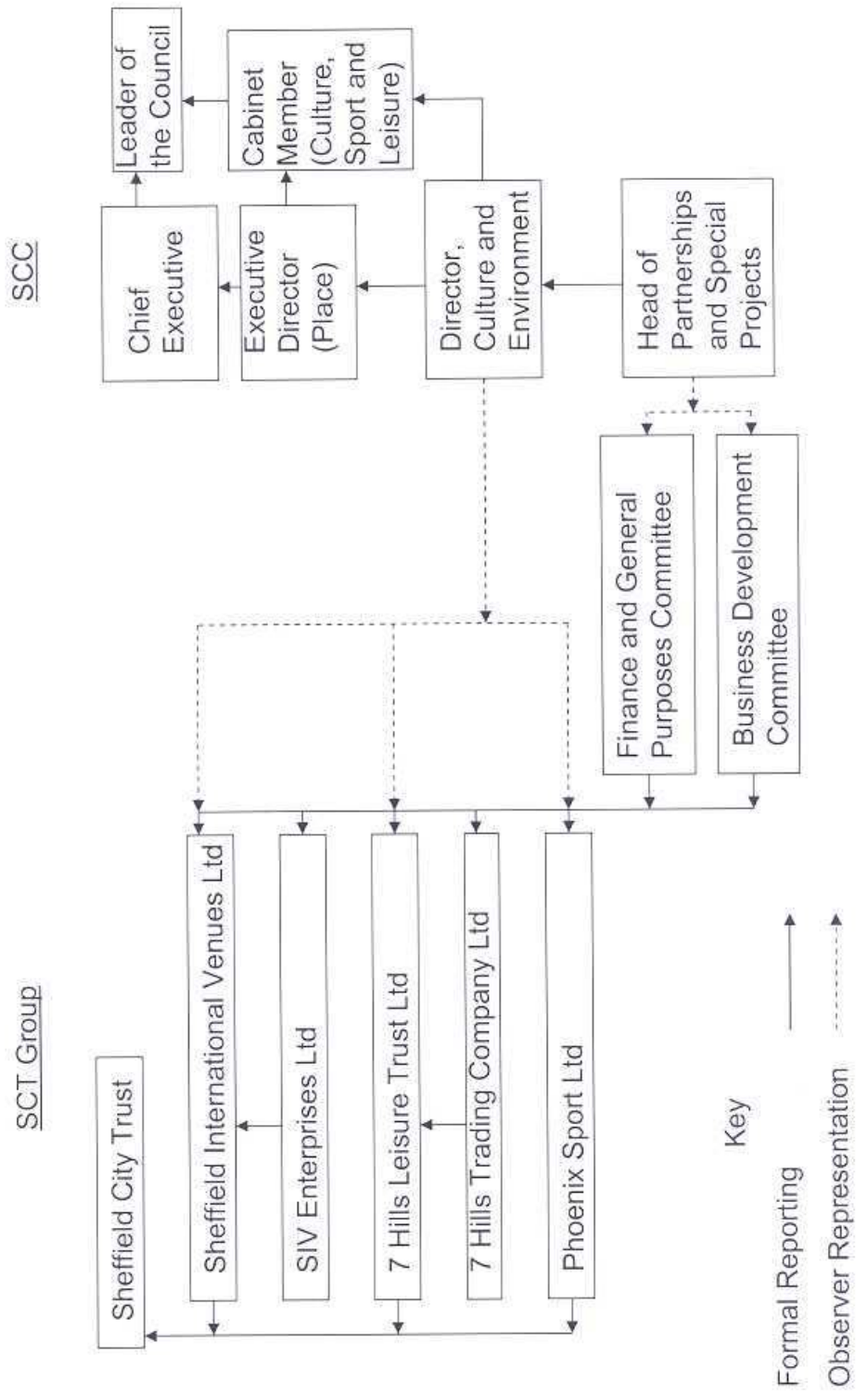
15 RECOMMENDATIONS

15.1 That the Board note the report.

Paul Billington
Director of Culture and Environment
PLACE

19th November 2012

Sheffield City Trust Group Governance and reporting (Formal)

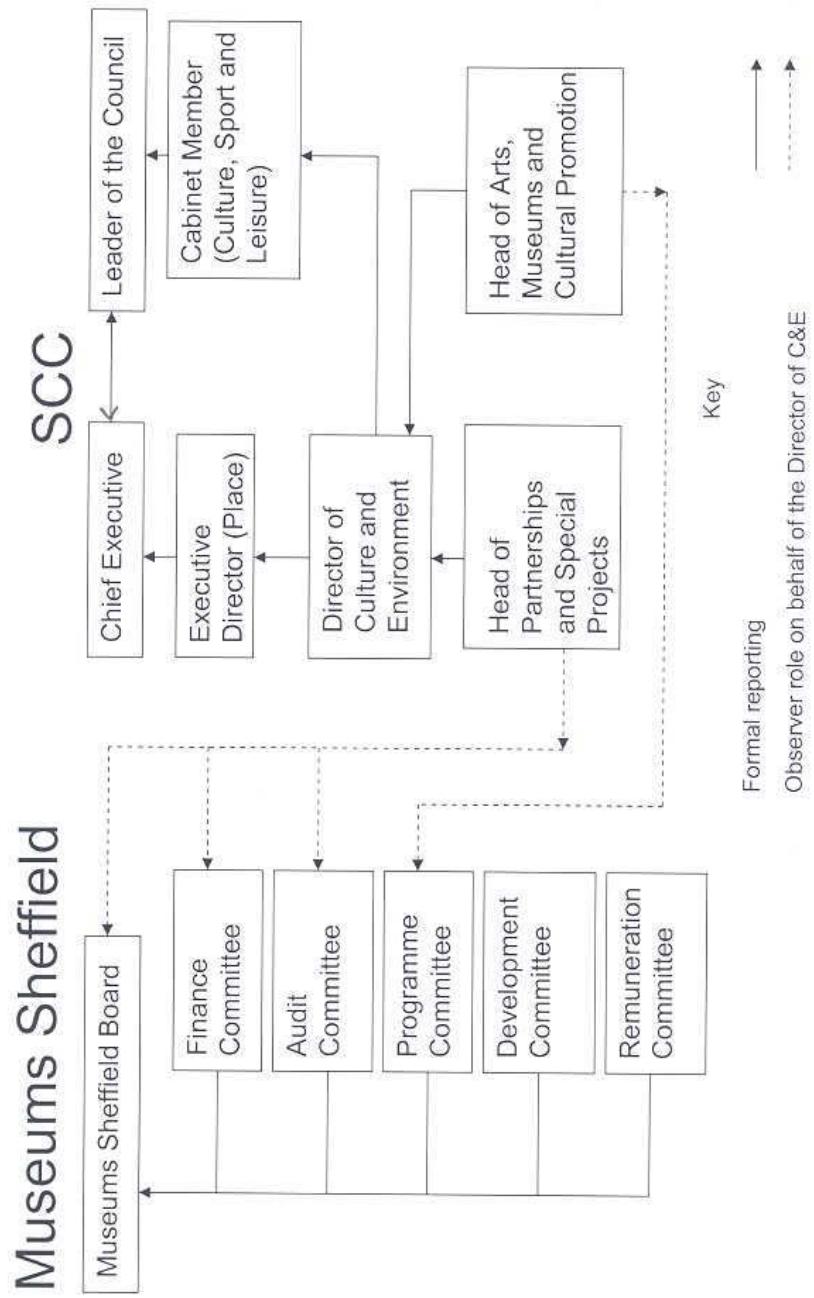


Visit levels at SCT/SIV operated facilities

Facility	Actual 2011/12	Target 2012/13
Ponds Forge ISC	716,157	678,323
Don Valley Stadium	141,459	142,295
ICE Sheffield	242,645	256,385
Hillsborough Leisure Centre	604,939	622,708
Concord Leisure Centre	362,914	393,909
Beauchief Golf	31,994	44,400
Birley Golf	28,569	34,960
Tinsley golf	39,724	45,250
The Arena (Motorpoint Arena)	582,394	592,800
City Hall	279,229	261,894
Stocksbridge Leisure Centre	149,590	142,470
Springs Leisure Centre	164,841	166,712
Heeley Pool	89,221	82,656
Graves Tennis and Leisure Centre	258,953	230,316
Total at SCC funded facilities	3,692,629	3,695,078
EISS	272,055	295,822
TOTALS	3,964,684	3,990,900

The above does not include spectators at sports venues or those attending Major Sports events at SCT Group facilities. In 11/12 we started to collect the data for spectators as well as participants, the figure was 909,800 bringing the overall visits to a grand total of 4,874,484.

Museums Sheffield Governance and reporting (Formal)



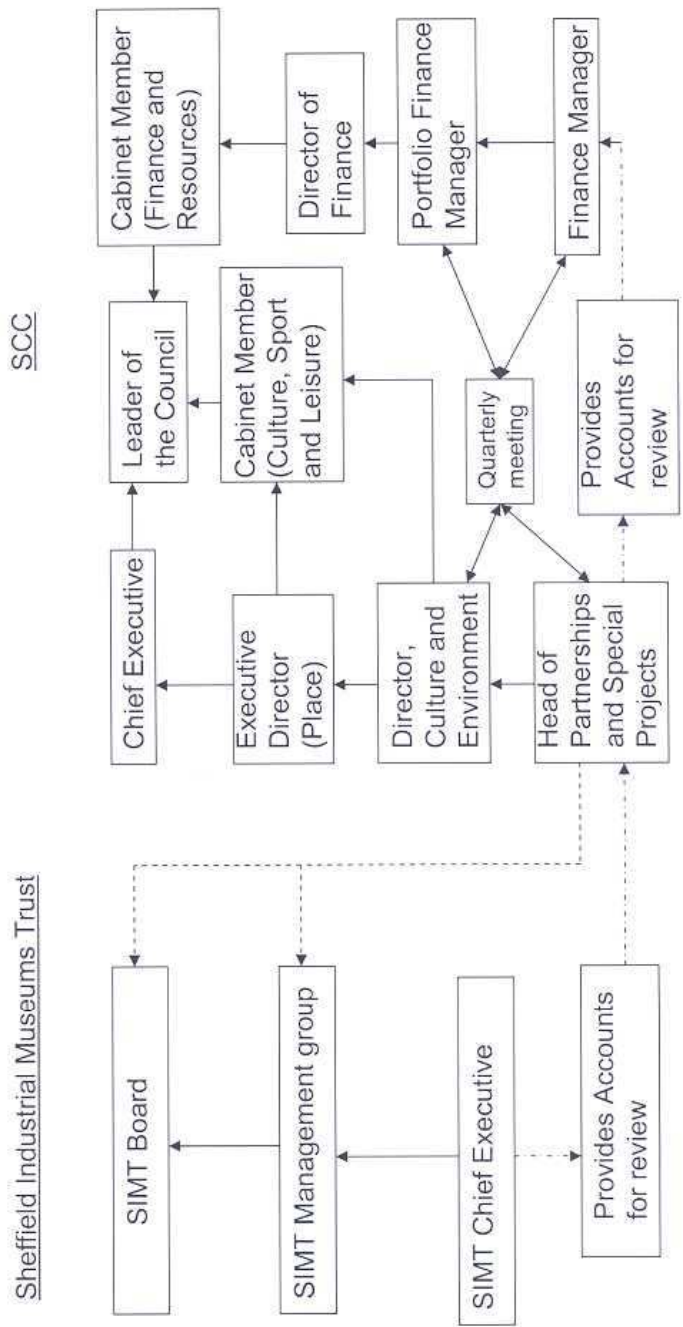
Visitor Figures – Museums Sheffield

There are a significant number of enquiries and research visits other than in person to Museum Sheffield. These include research of the collection through the Web and also outreach visits to groups outside of the Museum facilities including to schools. The accuracy of this additional data and its use for comparative purposes was questioned at the end of 2010/11 and as a result it was agreed to cease reporting this data. The figures below reflect visitors in person only.

Total Visits

2010/11	1,440,055
2011/12	1,473,000
Target 12/13	1,044,398

Sheffield Industrial Museums Trust Governance and Reporting (Formal & Financial)



Visitor Numbers SIMT

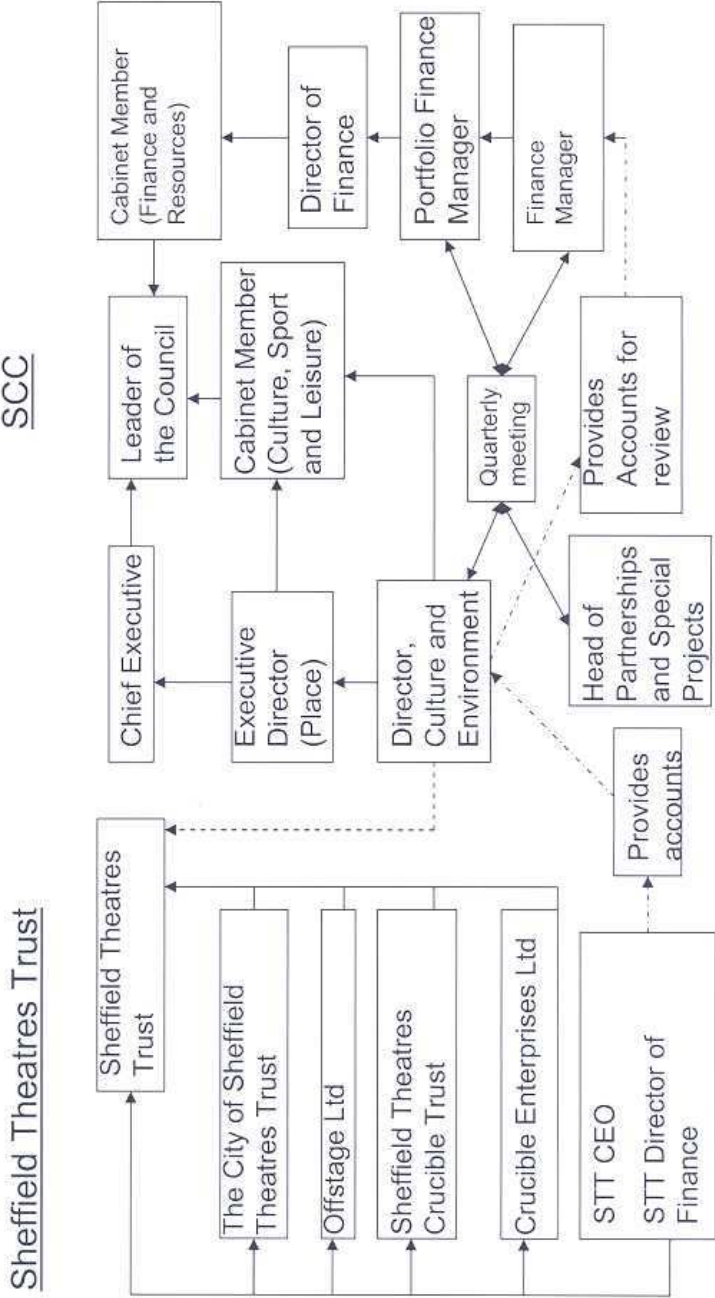
There are significant enquiries and research visits other than in person to SIMT. These include research of the collection through the Web and also outreach visits to groups outside the Museum facilities including to Schools. The top line figures below include all of those visits.

Total visits

2010/11	60,675
2011/12	69,225 incl 1239 to Shepherds Wheel
Target 12/13	72454

It has to be noted that SIMT were in receipt of Area Based Grant funding until 2009/10 that allowed free access to Abbeydale at all times and free access during school holidays to Kelham. After this funding ceased they decided to keep access to Abbeydale free but to re-instate charges at Kelham. Despite the charges the visitor numbers have continued to increase however in income terms they are very dependant on the Christmas Market and in 2010 this had to be cancelled due to the weather which left the Trust with a difficult financial starting point in 2011/12.

Sheffield Theatres Trust Governance and Reporting (Formal and Financial)



Performance data for Sheffield Theatres Trust

Visitor Numbers

2010/11	402,620
2011/12	402,388
Target 12/13	390,332

A break down of the 2011/12 figures by stage show:

Crucible	129,135
Studio	35,608
Lyceum	237,645

It should be noted that the Lyceum is viewed as a “receiving” house, i.e. it is mainly touring shows that are on this stage while both the Crucible and the Studio are production houses where much of the work is produced by STT and some goes on to tour to other venues outside of Sheffield.. It should also be noted that the Crucible figures include the Snooker audiences.