



**Committee: CABINET**

**Date: TUESDAY, 27 MAY 2014**

**Venue: MORECAMBE TOWN HALL**

**Time: 10.00 A.M.**

## **A G E N D A**

**1. Apologies**

**2. Minutes**

To receive as a correct record the minutes of Cabinet held on Tuesday, 15 April 2014 (previously circulated).

**3. Items of Urgent Business Authorised by the Leader**

To consider any such items authorised by the Leader and to consider where in the agenda the item(s) are to be considered.

**4. Declarations of Interest**

To receive declarations by Members of interests in respect of items on this Agenda.

Members are reminded that, in accordance with the Localism Act 2011, they are required to declare any disclosable pecuniary interests which have not already been declared in the Council's Register of Interests. (It is a criminal offence not to declare a disclosable pecuniary interest either in the Register or at the meeting).

Whilst not a legal requirement, in accordance with Council Procedure Rule 10 and in the interests of clarity and transparency, Members should declare any disclosable pecuniary interests which they have already declared in the Register, at this point in the meeting.

In accordance with Part B Section 2 of the Code Of Conduct, Members are required to declare the existence and nature of any other interests as defined in paragraphs 8(1) or 9(2) of the Code of Conduct.

**5. Public Speaking**

To consider any such requests received in accordance with the approved procedure.

Reports from Overview and Scrutiny

None

## Reports

6. Cabinet Liaison Groups and Appointments to Outside Bodies, Partnerships and Boards (Pages 1 - 13)

**(Cabinet Member with Special Responsibility Councillor Blamire)**

Report of Chief Executive

7. Corporate Plan 2014-16 (Pages 14 - 33)

**(Cabinet Member with Special Responsibility Councillor Blamire)**

Report of Chief Executive

8. Request from Dukes and Grand Theatres for Grant Support (Pages 34 - 119)

**(Cabinet Member with Special Responsibility Councillor Hanson)**

Report of Chief Officer (Regeneration & Planning)

9. Potential for the provision of Building Control Services by South Lakeland District Council (Pages 120 - 124)

**(Cabinet Member with Special Responsibility Councillor Hanson)**

Report of Chief Officer (Regeneration & Planning)

10. Light Up Lancaster - Fireworks Event (Pages 125 - 130)

**(Cabinet Member with Special Responsibility Councillor Sands)**

Report of Chief Officer (Regeneration & Planning)

11. Exclusion of the Press and Public

This is to give further notice in accordance with Part 2, paragraph 5 (4) and 5 (5) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 of the intention to take the following item(s) in private.

Cabinet is recommended to pass the following recommendation in relation to the following item(s):-

“That, in accordance with Section 100A(4) of the Local Government Act, 1972, the press and public be excluded from the meeting for the following item(s) of business, on the grounds that they could involve the possible disclosure of exempt information as defined in paragraph 3 of Schedule 12A of that Act.”

Members are reminded that, whilst the following item(s) have been marked as exempt, it is for Cabinet itself to decide whether or not to consider each of them in private or in public. In making the decision, Members should consider the relevant paragraph of Schedule 12A of the Local Government Act 1972, and also whether the public interest in maintaining the exemption outweighs the public interest in disclosing the information. In considering their discretion Members should also be mindful of the advice of Council Officers.

12. Land forming part of Lancaster Leisure Park, off Wyresdale Road, Lancaster (Pages 131 - 137)

**(Cabinet Member with Special Responsibility Councillor Hamilton-Cox)**

Report of Chief Officer (Resources)

**ADMINISTRATIVE ARRANGEMENTS**

**(i) Membership**

Councillors Eileen Blamire (Chairman), Janice Hanson (Vice-Chairman), Jon Barry, Abbott Bryning, Tim Hamilton-Cox, Karen Leytham, Ron Sands and David Smith

**(ii) Queries regarding this Agenda**

Please contact Liz Bateson, Democratic Services - telephone (01524) 582047 or email [ebateson@lancaster.gov.uk](mailto:ebateson@lancaster.gov.uk).

**(iii) Apologies**

Please contact Members' Secretary, telephone 582170, or alternatively email [memberservices@lancaster.gov.uk](mailto:memberservices@lancaster.gov.uk).

MARK CULLINAN,  
CHIEF EXECUTIVE,  
TOWN HALL,  
DALTON SQUARE,  
LANCASTER LA1 1PJ

Published on Friday, 16<sup>th</sup> May, 2014.

## CABINET

### Cabinet Liaison Groups and Appointments to Outside Bodies, Partnerships and Boards 27 May 2014

#### Report of Chief Executive

<b>PURPOSE OF REPORT</b>				
To consider the Cabinet Liaison Groups currently constituted and Cabinet appointments to Outside Bodies, Partnerships and Boards.				
<b>Key Decision</b>	<input type="checkbox"/>	<b>Non-Key Decision</b>	<input checked="" type="checkbox"/>	<b>Referral from Cabinet Member</b>
<b>Date Included in Forthcoming Key Decision Notice</b>			n/a	
<b>This report is public</b>				

#### OFFICER RECOMMENDATIONS

- (1) That Cabinet considers whether to re-constitute the Cabinet Liaison Groups and Cabinet Committee previously constituted, as set out in Appendix B to the report.
- (2) That Cabinet considers whether any additional Liaison Groups are required and, if so, agrees their Terms of Reference.
- (3) That the Lead Cabinet Member of each Cabinet Liaison Group be requested to inform the Chief Executive of the participants he/she wishes to invite to such meetings.
- (4) That Cabinet considers the appointments to Outside Bodies, Partnerships and Boards as set out in Appendix C to the report.

#### 1.0 Cabinet Liaison Groups

- 1.1 In accordance with Part 4 Section 4 of the City Council's Constitution (extract attached at Appendix A) Members are requested to consider membership of Cabinet Liaison Groups.
- 1.2 Set out at Appendix B to the report are the Cabinet Liaison Groups and Cabinet Committee currently constituted for consideration as part of recommendation (1) above.



- 1.3 Cabinet are requested to consider reconstituting the Climate Change Cabinet Liaison Group as the Renewable Energy Strategy Cabinet Liaison Group and approve the following terms of reference:-

*(1) To promote, communicate and monitor the progress of the development and delivery of the Council's Renewable Energy Strategy.*

## **2.0 Options and Options Analysis (including risk assessment)**

- 2.1 The options regarding Cabinet Liaison Groups and the Cabinet Committee are:

- 2.1.1 To note existing arrangements and make no amendments.
- 2.1.2 To consider and approve, where appropriate, any proposals from Cabinet Members.

## **3.0 Outside Bodies, Partnerships and Boards**

- 3.1 Members are asked to consider the appointments to outside bodies, partnerships and boards.
- 3.2 Members are reminded that Members nominated to outside bodies, partnerships and boards by Cabinet are representing the views of Cabinet in such positions, rather than any views they might hold as individuals.
- 3.3 Attached at Appendix C is a list of organisations to which Cabinet makes appointments on the basis of Portfolio responsibilities.
- 3.4 The Council is no longer a member of the Historic Towns Forum and this has been removed from the appointment list.
- 3.5 The LGA Rural Commission was disbanded earlier this year and this has been removed from the appointment list.
- 3.6 The following appointment has been added to the list of Cabinet appointments following a resolution from full Council.
  - Lancaster Community Fund Grants Panel (Cabinet member and member of Council)

## **4.0 Options and Options Analysis**

- 4.1 With regard to Outside Bodies, Partnerships and Boards, Cabinet is requested to make appointments, as set out in Appendix C to this report.

## **5.0 Officer preferred Option and Comments**

- 5.1 It is recommended that appointments be aligned as closely as possible to individual Cabinet Members' portfolios.

### **RELATIONSHIP TO POLICY FRAMEWORK**

The establishment of Cabinet Committees and Cabinet Liaison Groups assists the Cabinet

in the discharge of executive functions. Representation on Outside Bodies is part of the City Council's community leadership role.

#### **CONCLUSION OF IMPACT ASSESSMENT**

**(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)**

The proposals provide clear focus, transparency, accessibility and inclusiveness in the Council's Executive decision-making processes.

#### **LEGAL IMPLICATIONS**

Cabinet Liaison Groups are established in accordance with the City Council's Constitution.

#### **FINANCIAL IMPLICATIONS**

There are no significant financial implications with regard to the recommendations. Resources are available to provide the necessary level of support. Members of outside bodies are entitled to travel expenses which are currently being funded from within existing budgets.

#### **OTHER RESOURCE IMPLICATIONS**

##### **Human Resources:**

None arising from this report.

##### **Information Services:**

None arising from this report.

##### **Property:**

None arising from this report.

##### **Open Spaces:**

None arising from this report.

#### **SECTION 151 OFFICER'S COMMENTS**

The Section 151 Officer has been consulted and has no further comments.

#### **MONITORING OFFICER'S COMMENTS**

The Monitoring Officer has been consulted and has no further comments.

#### **BACKGROUND PAPERS**

none

**Contact Officer:** Liz Bateson

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**CONSTITUTION – CABINET PROCEDURE RULES EXTRACT**

**Part 4, Section 4**

**Cabinet Liaison Groups**

- (a) Cabinet Liaison Groups are not an essential body but may be created to take forward business. However, they are purely consultative and not decision-making. They will be chaired by a member of Cabinet and there is no restriction on size although the group must be limited to what is manageable and effective for their purpose. They may be time limited or of longer standing, again depending on their purpose.
- (b) The participants in the Group will be by invitation of the Chairman and can be made up from any or all of the following:
  - Other members of Cabinet
  - Others from outside the Council
  - Other members of Council not on Cabinet
  - Council officers
- (c) *Terms of Reference:* Their Terms of Reference are to share information about a particular topic, e.g. e-government and develop effective consultation and communication links with community groups and other bodies with an interest in the subject area. In this way, individual Cabinet members will have a wider information and advisory platform to inform executive decision-making and policy effectiveness.
- (d) Specific outcomes from their meetings may generate requests for pieces of work to be undertaken by officers or partner bodies. Alternatively, it could be a request to Overview and Scrutiny to set up a Task Group to undertake a specific piece of work. There could also be specific reports to Cabinet, Committees of Cabinet, individual Cabinet members, or other Committees of Council recommending action for determination.
- (e) Each Liaison Group will have their terms of reference and expected outputs approved by Cabinet before they meet.

**APPENDIX B**

**CABINET LIAISON GROUPS**

**BUSINESS CABINET LIAISON GROUP**

**Cabinet Member with Responsibility for:**

- The Economy

**Terms of Reference:**

- (1) To enable the City Council and representatives from business organisations in the district to liaise and consider items affecting the local economy.

**Cabinet Minute No 126, 16 February 2010 Refers**

Frequency: Quarterly.

**CANAL CORRIDOR CABINET LIAISON GROUP**

**Chairman:**

- **Cabinet Member with Special Responsibility for Economic Regeneration**

**Terms of Reference:**

That a Cabinet Liaison Group be created to consider the emerging development proposals for the Canal Corridor site.

The purpose of the Liaison Group is to provide a forum prior to the submission of a planning application where:

- information on the detailed studies undertaken, and the evidence base created to support the development proposals can be shared as they become available.
- details of the form, design and uses within the proposed development can be shared as they develop and without prejudice feedback given.
- the group can advise the appropriate Cabinet Member(s) on how to take proper account of how best to use the City Council's landownership interests to ensure that the most appropriate regeneration solution for the land is secured within the framework of the development agreement.

**Urgent Business Decision 11 June 2013 and Cabinet Minute 8, 23 July 2013  
Refers**

Frequency: As required

**CLIMATE CHANGE CABINET LIAISON GROUP – TO BE RECONSTITUTED AS  
THE RENEWABLE ENERGY STRATEGY CABINET LIAISON GROUP**

**Cabinet Member with Responsibility for:**

- Climate Change

**Proposed Revised Terms of Reference:**

- (1) To promote, communicate and monitor the progress of the development and delivery of the Council's Renewable Energy Strategy.

Frequency: As required

**DISTRICT WIDE TENANTS LIAISON GROUP**

**Cabinet Member with Responsibility for:**

- Housing

**Composition:**

Councillors sit as non-voting members of the Forum. Councillor representation comprises the Cabinet Member with responsibility for Housing plus 5 other Councillors invited by the Cabinet Member.

**Terms of Reference:**

- To promote the interests of all council tenants of the district, and to assist in maintaining good relations between all members of the community.
- To promote council tenants' rights and the maintenance and improvement of housing conditions, amenities, and the environment.
- To ensure that all tenants have effective opportunities to participate in the management of their homes and neighbourhoods.
- To promote change in response to tenants' needs and aspirations.
- To act as a consultative group on all issues concerning tenants at district wide level.
- To work towards the elimination of all forms of discrimination within the community by encouraging all tenants to participate in the management of their homes and neighbourhoods.

**Cabinet Minute No 8, 3rd June 2008 Refers**

Frequency: Minimum of four times a year

**PLANNING POLICY CABINET LIAISON GROUP**

**Cabinet Member with Responsibility for:**

- Planning

**Terms of Reference:**

This Group is a non-decision making consultative forum to assist Cabinet Members in their decision-making responsibilities. The forum will provide the expertise to the appropriate Cabinet Members to allow them to either take individual decisions or to make recommendations into Cabinet.

1. To provide a forum to consider the implications of the transition from the adopted Lancaster District Local Plan to the new development plan system of Local Development Frameworks introduced under the 2004 Planning and Compulsory Purchase Act.
2. To prepare, review, carry out consultations, and consider representations in order to assist the appropriate Cabinet Member in bringing forward recommendations to Cabinet on the adoption of Supplementary Planning Guidance to the adopted Lancaster District Local Plan.
3. To prepare, review, carry out consultations, and consider representations in order to assist the appropriate Cabinet Member in bringing forward recommendations to Cabinet on the adoption of the Council's Local Development Scheme and Local Development Framework, including;
  - Development Plan Documents including the Core Development Framework and Development Control Policies;
  - Supplementary Planning Documents including Town Centre Strategies for Lancaster and Morecambe and guidance on issues such as design and sustainability;
  - The Council's Statement of Community Involvement and Strategic Environmental Assessment.
4. To provide appropriate assistance to rural communities with the preparation of Parish Plans and to assist the appropriate Cabinet Member in bringing forward recommendations regarding the inclusion of appropriate Parish Plans within the Local Development Framework.
5. To assist the appropriate Cabinet Member in monitoring progress on the implementation of the Local Development Framework by preparing an Annual Monitoring Report
6. To assist the appropriate Cabinet Member to ensure proper systems and processes are in place to maintain and keep under review the information base for planning policy including:
  - housing land availability,
  - housing need,
  - retail capacity,
  - town centre vitality and viability;
  - the need for employment land;
  - accessibility issues;



- issues relevant to the Strategic Environmental Assessment

and to assist the appropriate Cabinet Member bring forward recommendations to cabinet on the commissioning of additional studies where necessary.

7. To act as a forum for assisting the appropriate Cabinet Member to prepare appropriate responses to the Lancashire Structure Plan, the Lancashire Minerals and Waste Local Plan and the Lancashire Local Transport Plan and any successor documents.
8. To assist the appropriate Cabinet Member in the preparation of appropriate responses to Regional Planning Guidance for the North West and the Regional Spatial Strategy.
9. To assist the appropriate Cabinet member in monitoring the progress of Local Development Framework documents in neighbouring authorities and recommending consultation responses to cabinet where the interests of Lancaster District are affected.
10. In the event of future Local Government re-organisation, to assist the appropriate Cabinet member in managing and making recommendations to Cabinet on the planning policy implications of the transition to new Local Authority boundaries;
11. To assist the appropriate Cabinet Member in monitoring developments in national planning policy and recommending consultation responses to Cabinet where necessary.
12. To assist the appropriate Cabinet Member in reviewing existing Conservation Areas and the need for new designations, undertaking Conservation Area Appraisals and preparing proposals for the preservation and enhancement of historic areas.

**Cabinet Minute No 8, 3rd June 2008 Refers**

Frequency: As required.

## **HOUSING REGENERATION CABINET LIAISON GROUP**

### **Cabinet Member with Responsibility for:**

- **Housing**

### **Terms of Reference:**

The purpose of the group would be to assist the Cabinet Members in overseeing implementation of options for housing regeneration priorities including:

- (1) To examine the options for delivering and financing affordable housing schemes through the HRA (including schemes in the West End).
- (2) To examine the viability of building new council homes with a particular focus on meeting the housing needs of the growing population of older people in the medium to long term.
- (3) The adoption of a rent policy for council housing.
- (4) Consideration of an empty homes strategy.
- (5) Opportunities for affordable housing schemes through the land allocations in the LDF.
- (6) The potential impact on residents and the Council of the changes to the welfare reform system.
- (7) The adoption of a tenancy strategy for the district.
- (8) Any other funding opportunities to support housing regeneration priorities, including any through the council's General Fund.
- (9) To consider housing regeneration related reports prior to being presented to Cabinet, Individual Cabinet Member Decisions or other council committees.

**Cabinet Minute 106, 13 March 2012 Refers**

Frequency: As required

**CABINET COMMITTEE**

**SQUARE ROUTES CENTREPIECE CABINET COMMITTEE**

**Cabinet Member with Special Responsibility: The Leader**

**Terms of Reference:**

The following Terms of Reference were approved at Cabinet on 25 June 2013 (Minute 16 refers).

That a Cabinet Committee consisting of Councillors Barry, Blamire, Bryning, Hanson and Leytham be established with terms of reference to consider and decide on the artwork.

**Cabinet Minute 16, 25 June 2013 Refers**

Frequency: As required

**APPENDIX C****APPOINTMENTS MADE BY CABINET**

<b>ORGANISATION</b>
Lancaster Community Fund Grants Panel Councillor Barry
Lancashire Leaders Meeting (Leader) Councillor Blamire
LGA Executive (Leader) Councillor Blamire
Morecambe Bay Partnership Councillor Sands
Museums Advisory Panel Cabinet Member Councillor Sands
North Lancashire Local Action Group executive Group (Member + named substitute) Councillor Hanson (substitute to be confirmed)
Lancashire Waste Partnership : Councillor Smith
Community Safety Partnership Cabinet Member (+ Cabinet Member substitute): Councillor Smith (substitute Councillor Blamire)
Health and Wellbeing Partnership Cabinet Member (+ Cabinet Member substitute) : Councillor Leytham (substitute Councillor Hamilton-Cox)
Management Group of the Lancaster Business Improvement District (BID) (Cabinet Member for Economic Regeneration) Councillor Hanson

## Corporate Plan 2014 - 16

27 May 2014

### Report of Chief Executive

PURPOSE OF REPORT			
This report is to enable Cabinet to consider the draft Corporate Plan 2014-16, with a view to recommending the Corporate Plan to full council for formal approval in July.			
Key Decision	<b>X</b>	Non-Key Decision	Referral from Cabinet Member
Date of notice of forthcoming key decision		14 March 2014	
This report is public			

#### RECOMMENDATION OF THE LEADER OF THE COUNCIL

- (1) That Cabinet considers the draft Corporate Plan 2014 – 2016 and makes recommendations to full Council

#### 1 Introduction

- 1.1 The Corporate Plan brings together the council's strategic priorities, outcomes and measures that it wishes to deliver in the medium term. The Corporate Plan forms part of the Policy Framework and, as such, must be approved by Council.
- 1.2 The outcomes and measures identified in the Corporate Plan have been shaped and informed by the allocation of resources included in the council's budget and Medium Term Financial Strategy and other strategies and planned priorities including:
- the Council's Economic Regeneration Vision incorporating improvements for the Public Realm
  - adoption of an Energy Strategy
  - Housing Strategy priorities and Housing Action Plan
  - Corporate Property Strategy
  - Invest to Save proposals where capital investment will generate longer-term cashable revenue savings
- 1.3 It is important that the council is able to adapt to changes in a planned and considered way, to facilitate this the Corporate Plan is refreshed annually in the context of changing needs and aspirations in the district, financial forecasts and desired council tax targets and other relevant resource implications.

#### 2 Proposal Details

- 2.1 At its meeting on 26 February 2014, Council considered a first draft of that part of the Corporate Plan that deals with the proposed Core Purpose, Vision, Ethos and Priorities where it was resolved *'That the draft Vision, Ethos and Priorities for inclusion in the Corporate Plan be approved'*.
- 2.2 Since then officers have been redefining existing, and identifying new, high level corporate outcomes and best overall measures of progress towards the delivery of each priority. In April, Cabinet Members also had an opportunity to comment on the draft Corporate Plan and the one now attached to this report has been revised as a result.

2.3 In reviewing and refreshing the draft Corporate Plan for 2014 -16 other measures of progress have been identified that will be tracked to provide a more detailed understanding of the factors that may have an impact on achieving corporate priorities. Further changes have also been made, in particular to highlight the Council's commitment both to sustainability and to providing value for money.

2.4 Provision has also been made for any:

- Legislative and regulatory changes
- National policy changes and funding prospects
- Changing needs of the district, its residents and visitors
- Recent performance and experience, and;
- Local views and perceptions

### 3 Details of Consultation

3.1 Consultation and engagement on a number of key council activities have been undertaken throughout 2013/14. Along with more general consultation including customer satisfaction surveys, these have helped to inform the strategic planning and decision making process and are reflected in the draft Corporate Plan.

### 4 Options and Options Analysis (including risk assessment)

	<b>Option 1: Recommend to full Council the draft Corporate Plan as presented or recommend with minor amendments</b>	<b>Option 2: Corporate Plan not recommended to Council at this stage</b>
<b>Advantages</b>	Assuming no significant impact on resources and forward planning arrangements minor amendments can be managed without interruption to the strategic planning cycle and the Corporate Plan can be submitted for consideration by full council.	A revised Corporate Plan will reflect any significant changes recommended by Cabinet
<b>Disadvantages</b>	None identified	This option is likely to lead to delays in publication of the Corporate Plan leading to uncertainty regarding the council's intentions and possible interruptions to delivery of some services and activities
<b>Risks</b>	Objectives and funding may change during the year that will have an impact on needs, aspirations, financial forecasts and other resource implications	May have an impact on the strategic direction for the delivery of council services and the achievement of corporate priorities. The budget has been approved in line with the priorities set out in the Corporate Plan and significant changes at this stage may have budget implications that would need to be considered further

## 5 Officer Preferred Option (and comments)

- 5.1 The Officer preferred Option is Option 1 as this will underpin council activities, business and resource planning. Additionally, local residents, communities and partners will be clear about the council priorities and outcomes the council wishes to achieve in the coming two years.

## 6 Conclusion

- 6.1 The Corporate Plan is a central part of the council's Budget and Policy Framework stating the key priorities, outcomes and measures that the council hopes to achieve for the district.
- 6.2 The strategic planning arrangements create an opportunity each year to consider the changing needs and aspirations of local communities and the shifting priorities, opportunities and challenges that the council faces. These are reflected in the draft Corporate Plan for 2014 - 2016 taking into account recommendations by Council and Cabinet, consultation and engagement with residents and visitors and budget information and options that have been set out in various Budget and Policy Framework updates during 2013/14.

### RELATIONSHIP TO POLICY FRAMEWORK

The Corporate Plan is a central part of the policy framework stating the priorities and key outcomes that the council hopes to achieve for the district.

### CONCLUSION OF IMPACT ASSESSMENT

(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing)

The Corporate Plan is complementary to key policies, strategies and plans. The council has responsibilities and plans for some activities not directly included in the Corporate Plan but which are managed as part of ongoing service delivery and/or day-to-day council business.

### LEGAL IMPLICATIONS

None directly arising as a result of this report

### FINANCIAL IMPLICATIONS

The draft Corporate Plan for 2014-16 has been developed alongside the Council's budget processes and takes account of budget limitations and challenges in the coming financial years, as far as possible. Strategic planning and policy development during the coming year will inform plans for future years.

### OTHER RESOURCE IMPLICATIONS

**Human Resources:** None at this stage although the council's workforce planning and service reviews will need to be aligned with the Corporate Plan.

**Information Services:** No additional requirements for ICT support at this stage but the council's ICT Strategy will need to be aligned with the Corporate Plan.

**Property:** No additional implications at this stage although the council's Medium Term Corporate Property Strategy will need to be aligned with the Corporate Plan in due course.

**Open Spaces:** The Corporate Plan has a potentially positive impact on open spaces, including parks, in the district.

**SECTION 151 OFFICER'S COMMENTS**

The Section 151 Officer has been consulted and has no further comments

**MONITORING OFFICER'S COMMENTS**

The Monitoring Officer has been consulted and has no further comments.

**BACKGROUND PAPERS**

**Contact Officer: Bob Bailey**  
**Telephone:** 01524 582018  
**E-mail:** rbailey@lancaster.gov.uk  
**Ref:** Corporate Plan 2014-16



A photograph of a stone bridge over a river. The bridge has a large stone arch and a low stone wall in the foreground. A cyclist in a blue and red jacket is riding across the bridge. The background is filled with lush green trees under a cloudy sky.

# Lancaster City Council Corporate Plan 2014 - 2016

**LANCASTER  
CITY COUNCIL**

Promoting City, Coast & Countryside





# Contents

Page 19

Foreword.....	3
Our Core Purpose.....	4
Our Ethos.....	4
Our Vision.....	5
Our Priorities:	
Clean, Green & Safe Places .....	7
Health & Wellbeing.....	8
Community Leadership .....	10
Economic Growth .....	12
Delivering the Corporate Plan .....	14

# Foreword



**Councillor Eileen Blamire**  
Leader of the Council



**Mark Cullinan**  
Chief Executive

# Our Core Purpose

## The role of the council is to:

- Provide the democratic leadership, with high ethical standards, needed to help the district address the major issues facing it.
- Bring communities and agencies together to work in partnership to address the major issues affecting the district.
- Provide a range of customer focused services and offer value for money and meet the needs of people who live, work and visit the district.
- Maintain a cohesive community by ensuring we understand the needs of our communities and provide equality of access to our services and employment opportunities.

# Our Ethos

- **Stewardship** – ensuring the social, economic and environmental wellbeing of the local area.
- **Core capacity** – maintaining the strategic advantages of in-house services to meet local needs.
- **Municipal entrepreneurialism** – capturing opportunities for collaborative innovation and income generation.
- **Collaboration** – working with a range of service providers on a collaborative basis rather than through competition.
- **Policy** – grounding local decision making in political accountability.
- **Social justice** – ensuring the values of local government are founded on equality and meeting community needs.
- **Sustainability** — ensuring that the council contributes positively to the challenge of climate change and the need to manage our environment
- **Value for Money**—focusing on economy, efficiency and effectiveness



# Our Vision

A sustainable self-contained and varied group of communities with a population remaining in balance to support its local economy, comprising:

**MORECAMBE AND HEYSHAM** - a confident community with a regenerated living, working and leisure environment, acting as a focal point on Morecambe Bay to enjoy and interact with the wider landscape;

**LANCASTER** - a prosperous historic city with a thriving knowledge economy;

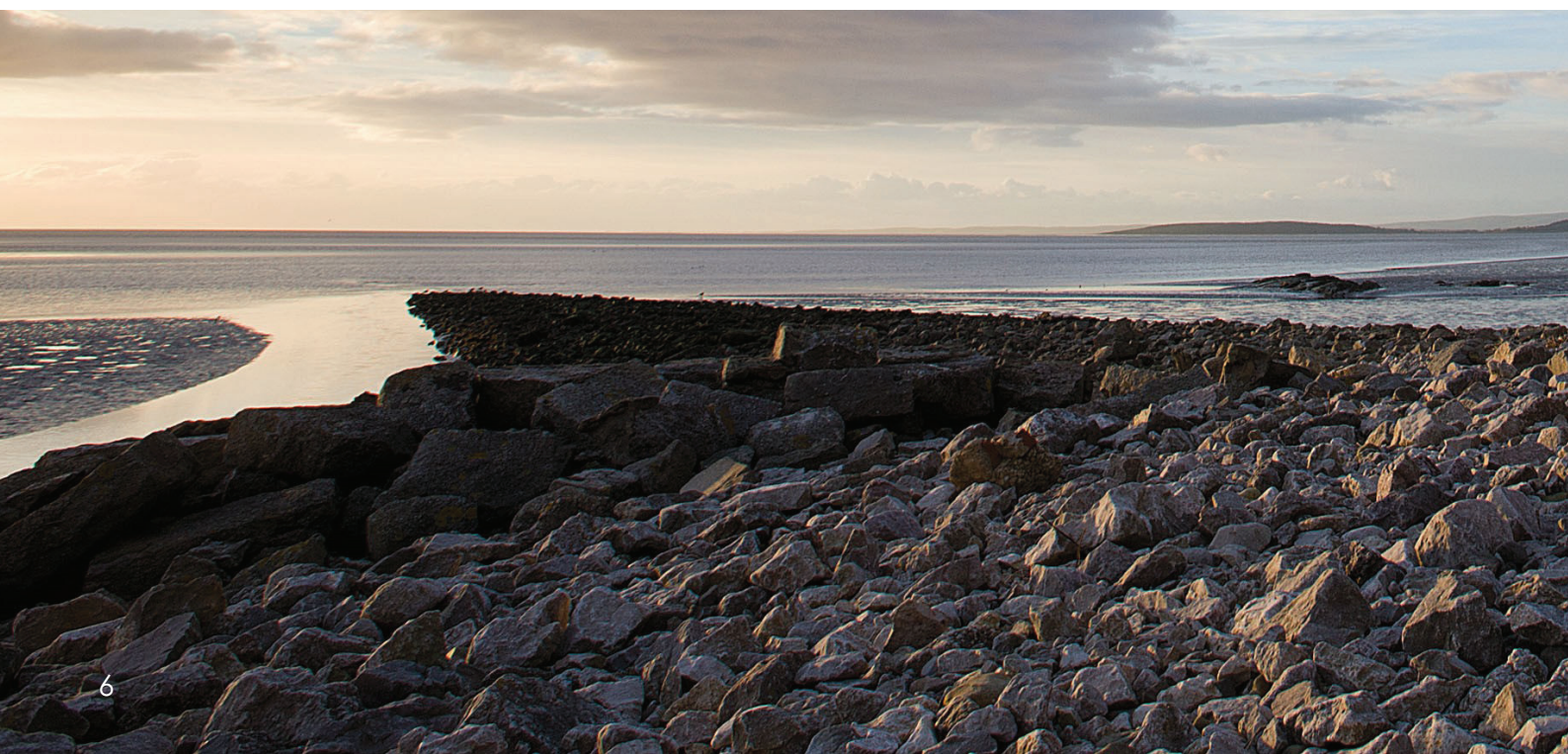
**CARNFORTH** - a successful market town and service centre for North Lancashire and South Cumbria; and

A conserved, enhanced and diversified **COAST AND COUNTRYSIDE** with a network of vibrant rural communities; which will lead the North West in its quality of life and environmental and design standard and within which sustainable housing, economic and retail development to meet local needs will be supported.

## Our Priorities

Our outcomes are supported by headline success measures that identify the best overall measures of progress towards delivering our outcomes, in line with our priorities and ethos. In addition we will track other indicators and measures of our progress so that we have a detailed understanding of the factors that impact on achieving our priorities.

**The intention to protect the most vulnerable in our society will be a thread that runs through all of our priorities.**





## Priority: Clean, Green & Safe Places

Lancaster district has much to offer. To ensure that it maintains and builds upon its reputation of being clean, green and safe, the council will encourage local communities and individuals to take pride in their local area and become involved in protecting and improving the quality of local areas, parks and public spaces in a way that is sustainable.

The council will continue to undertake activities to maintain levels of recycling and composting. It is developing an energy strategy as a means of planning to reduce the overall amount of energy used in the delivery of its service, increase the use of energy from renewable sources, reduce carbon emissions and generate income and efficiencies.

The council will work together with partners and communities to deliver a range of community safety initiatives aimed at making our streets clean and safe and meeting its responsibilities to preserve and enhance the special protected landscapes.

Outcomes	Success Measures
Impact of crime and anti-social behaviour across the district will be minimised	<ul style="list-style-type: none"> <li>• Work with the Police and Community Safety Partners to minimise the impact of crime and anti-social behaviour</li> <li>• Reduce hate crime and the fear of crime felt by minority communities</li> </ul>
The council's impact on the environment will be minimised	<ul style="list-style-type: none"> <li>• Energy strategy in place and agreed</li> <li>• Annual reduction in energy used by the council's operations</li> <li>• Annual reduction in carbon emissions from the council's operations</li> <li>• Maintain and /or improve average Standard Assessment Procedure (SAP) rating in council homes to a high level</li> <li>• Amount of household waste reused, recycled or composted is maintained</li> <li>• Increase income from energy and recycling projects</li> </ul>
Local neighbourhoods are clean and safe and residents have a sense of pride in the district	<ul style="list-style-type: none"> <li>• Perception of people who live in, work in, or visit the district that streets and public spaces are safe and clean is increased</li> <li>• Increased number of projects that directly involve local communities in improving local areas, parks and open spaces</li> </ul>



## Priority: Health & Wellbeing

A range of actions to support the positive health and wellbeing of residents in the district have been identified. This includes continuing work to improve the quality and availability of housing, including council housing stock and building new one-bedroomed properties, housing renewal, particularly in the West End of Morecambe and improvements in the private rented sector. We will work to ensure the standard of new and existing housing meets current regulations and promotes safe, high quality, energy efficient housing.

As part of the statutory planning process, the council will allocate land for housing purposes, to meet the challenges of finding space for sustainable growth to address needs of demographic change. It will seek opportunities to include new affordable housing as part of the development plans and champion the need for younger generations in our community to have access to their own homes.

The council will continue to work with partners as part of the health and wellbeing partnership to improve the health outcomes for our citizens. The council intends to take action to improve health; for example, by enabling access to sports and leisure activities and supporting measures to keep vulnerable people warm in their homes. Actions to tackle homelessness and rough sleeping in the district will continue. The Council will also continue to work with partners to help manage the implementation of ongoing welfare reforms and their impact.



## Priority: Health & Wellbeing

Outcomes	Success Measures
Enhanced quality of life of local residents through access to affordable, decent housing	<ul style="list-style-type: none"> <li>• Increased number of improved homes</li> <li>• Improve access to housing</li> <li>• Increase number of affordable homes</li> </ul>
Health and wellbeing of our citizens is improved	<ul style="list-style-type: none"> <li>• Maintaining adequate supply to reduce demand led unsustainable price rises in the housing market</li> <li>• Improve the wellbeing of our residents through collaborative, preventative and reactive measures</li> <li>• Increased number of people participating in sports and leisure activities</li> <li>• Maximise opportunities for access to innovative leisure activities by working collaboratively with public and private sector partners</li> <li>• Increased number of vulnerable households benefiting from Warm Homes Initiative</li> <li>• Facilitate long term improvements in transportation to improve local air quality</li> <li>• Maintain percentage of “broadly” compliant food businesses (category 3-5)</li> <li>• Work in partnership to optimise access to welfare benefits and related support</li> </ul>

## Priority: Community Leadership

The council continues to face up to the challenges presented by the current economic climate by placing an increased emphasis on the things that matter most to people of the district. As community leaders, we are committed to working with those public services who can help us to have a positive impact on life in the district. This will help us to support our key partnerships to ensure they are really effective and can deliver the outcomes the district needs.

The role of our ward councillors is vital in engaging with communities and working with community groups and individuals to make a difference through a wide range of initiatives in local areas and the council's process will be strengthened to support this. Community pride is a key theme that has emerged from our local engagement work and the council wishes to support local groups and communities to become involved locally, improving where they live in many ways so that they can Take Pride in their local areas and the communities around them.

The council will work with partners to achieve efficiencies and protect the services that matter by taking a collaborative approach where this is effective. The council continues to support voluntary, community, faith, arts and culture groups and will work with these sectors to consider how together we can ensure important services for the district are delivered.



## Priority: Community Leadership

Outcomes	Success Measures
<p>Communities are brought together and the major issues affecting major issues affecting the district through working in partnership</p>	<ul style="list-style-type: none"> <li>• Improve neighbourhood working by engaging with communities to understand their needs and empowering them to deliver services locally</li> <li>• Ensure Ward Councillors feel supported in their Community Leadership role</li> <li>• Maintain working arrangements with voluntary, community, faith, arts and culture groups in support of key service delivery</li> <li>• Continue to improve customer service, reduce waste and improve effectiveness through collaborative working with partners and service providers</li> </ul>
<p>Well run, value for money services that are valued by the public and demonstrate good governance, openness and transparency will be delivered</p>	<ul style="list-style-type: none"> <li>• Gain and 'unqualified' value for money conclusion from our External Auditors</li> <li>• Deliver quality services through a skilled and motivated workforce supported by learning opportunities and ways of working that are accessible to all</li> <li>• Improve standards of equality and diversity</li> <li>• Improve our understanding of the needs of our communities and provide equality of access to our services and employment opportunities</li> </ul>





## Priority: Sustainable Economic Growth

Lancaster district has exceptional opportunities and a pressing demographic need to develop its economy. The main prospects for economic growth relate to energy including nuclear and renewable energy; the knowledge sector developing around Lancaster's two universities, the health sector, and the Visitor Economy, capitalising on the district's outstanding arts and cultural heritage and entertainment offer, its beautiful coastline and stunning natural landscapes.

The council's actions for the next two years, in collaboration with Lancashire County Council, will seek to develop these opportunities and help to secure economic benefits through new jobs and business growth, including support for new energy and transport infrastructure, the nuclear nomination for Heysham and new energy generation capacity. Work to improve the attractiveness of central Morecambe and Lancaster's heritage assets, public spaces and retail offer is underway. In the district's rural areas, the aim will be to improve the focus of their tourism identities linked to the branding of Morecambe Bay and Lancaster. A few high impact festivals and events will provide economic stimulus to help local businesses across the district. The council will continue to engage with economic partners, including the Lancaster District Chamber of Commerce and the Lancashire Enterprise Partnership, to develop the economy of the district. The council will continue to set an example by paying a living wage to its employees, and by supporting the principles of Fairtrade

## Priority: Sustainable Economic Growth

Outcomes	Success Measures
Sustainable economic growth and jobs will be created in key sectors, including energy, knowledge, health and the visitor economy	<ul style="list-style-type: none"> <li>• New and improved employment sites and premises will become available in key business locations targeting key sectors</li> <li>• A Local Plan for the district adopted</li> <li>• Inward investment opportunities will be maximised by working with key partners, including the universities of Lancaster and Cumbria, University Hospitals Morecambe Bay and British Land</li> <li>• Level of support for business growth and skills development will be maximised</li> <li>• Supporting small businesses as important components of thriving retail centres</li> <li>• The development of the Assembly Rooms as an important visitor destination and enhancer of the local economy</li> </ul>
The attractiveness and offer of the district, as a place to visit or invest in, will be improved	<ul style="list-style-type: none"> <li>• Lancaster and Morecambe urban centres will be enhanced by investment in the built environment, heritage assets and the public realm</li> <li>• Cultural, retail and tourism offer will be improved</li> <li>• Economic impact of the arts in the district will be measured with the Council moving towards an ensuring role to support a range of delivery partners</li> </ul>
Lancaster and Morecambe Bay will be recognised as important visitor destinations	<ul style="list-style-type: none"> <li>• Destination brands for Lancaster and the Lune Valley and Morecambe Bay will be developed with partners to establish these areas as important visitor destinations</li> <li>• Visitor numbers and spend will be increased</li> </ul>



## Delivering the Corporate Plan

The Corporate Plan sets out the council's four priorities, but it also needs to make sure it has the resources to deliver them, which is an increasing challenge. The council's Medium Term Financial Strategy supports and informs the Corporate Plan, and sets out how it will manage its finances in order to deliver these priorities. Local Government, however, continues to face major funding reductions year on year, meaning that a lesser range of services will be provided at some point in the future.

### **Balancing the Budget**

Each year the council aims to deliver a balanced, robust budget that matches and realigns resources to its priorities and statutory needs. One of the key objectives is to ensure it gives value for money. This means getting the most from council assets and resources, maximising the potential of staff, increasing income, reducing waste and improving effectiveness without raising costs. Value for money is regarded as a priority over reducing services when savings are required.

### **Service Reviews**

To achieve this approach, the council will undertake over 30 reviews across all services over the next two years. The council will continue with this programme, to achieve better value for money for the community as a whole. It is envisaged that such reviews will continue to form the basis for tackling the medium to longer term budget funding gap, as well as being informed by (and helping to embed) the council's future ethos.

### **Governance**

Another key element in ensuring successful delivery of the Corporate Plan is having sound governance arrangements in place. Good governance enables an authority to pursue its vision effectively as well as underpinning that vision with control and the management of risk.

The council has a governance framework that brings together an underlying set of legal requirements, ethical and behavioural principles and management processes. Each year the council reviews these arrangements, and amongst other things, will measure the quality of services for users, ensuring they are delivered in accordance with the authority's objectives and represent the best use of resources and value for money. The results of the review are published in an Annual Governance Statement.



## **Council Tax**

The council aims to keep council tax increases to just below 2% for 2014/15 and 2015/16, subject to the future thresholds for holding local referendums, which are set by Government. These targets apply to the basic city council tax rate across the district excluding parish precepts.

Rather than reverting back to freezing council tax, the council has kept with the difficult decision of increasing the tax rate and targets for future years, as a way of helping to mitigate the impact of Government funding reductions. To some extent, increasing council tax will help protect key services.

## **Business transformation and improvement**

The council will continue to develop its skilled workforce with a more flexible, coordinated approach to working across services, through the delivery of a new People Strategy. This will support continuous improvement, help build partnership working, increase shared service and support more devolved services.

We will champion a high performance culture throughout the council and continue the delivery of high quality services through continued modernisation of back office services as well as explore the potential for new delivery models, early intervention and capacity to reduce costs and provide further savings.





<b>CABINET</b>
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## Requests from Dukes and Grand Theatres for Grant Support

**27<sup>th</sup> May 2014**

### Report of Chief Officer (Regeneration and Planning)

<b>PURPOSE OF REPORT</b>				
To consider requests from the Dukes and Grand theatres for additional funding support.				
<b>Key Decision</b>	<input type="checkbox"/>	<b>Non-Key Decision</b>	<input checked="" type="checkbox"/>	<b>Referral from Cabinet Member</b>
<b>Date of notice of forthcoming key decision</b>			n/a	
<b>This report is public</b>				

#### RECOMMENDATIONS OF COUNCILLOR JANICE HANSON

1. That neither of the requests be granted.

#### 1.0 Introduction

- 1.1 Both the Dukes and Grand Theatres sits alongside and are effectively an integral part of the Canal Corridor North site and one of the ambitions for that project is to provide the means to improve the cultural offer of both the Grand and Dukes theatres within the city. British Land remain committed to this aim but have made it clear that in both cases the complementary investment into the theatres alongside the development will be capped in capital contributions terms, and further contributions made in kind via architectural design assistance. In short any significant business improvement proposals for each theatre would not be capable of being funded fully by that project. In both cases the theatres intend to use the potential for those contributions to assist in the development of their business plans.

#### 2.0 The request from the Dukes

- 2.1 The Dukes have already benefitted from assistance with business planning when the council recently appointed consultants to advise it on the theatre's potential to be developed further in business terms (part of the recent service review process). Following on from the work done on the council's behalf by the business consultants a second phase of work was programmed to use

specialist theatre architects Levitt Bernstein to work on draft proposals (in concept form rather than detailed architecture) to evaluate options for developing the Dukes offer to match the potential business opportunities. These would be expected to consider extending the existing Dukes Building, potentially utilising space in the Mitchells Brewery Building or improving the screening facilities in the Storey Creative Arts Centre.

- 2.2 The Dukes have allocated a limited amount of funding towards that work being undertaken (£6.75K) but are now asking the City Council to provide additional grant amounting to £12k to complete the commission. It is also very much in British Land's interests that any uncertainty over the growth requirements of the Dukes be removed and it has been put to them that they might at this key time provide the additional funding for this commission. To date they have given a mild commitment to potentially meeting 50% of the concept design and costing element by Levitt Bernstein but this still leaves a potential £6K funding gap for the Dukes to find – assuming that British Land did not increase their potential funding offer.
- 2.3 The contributions to business planning which the council has made so far have highlighted the lack of focus that the Dukes have had on this vital area of business to date. From the Council's perspective, in particular as part funder of the theatre's current operations, it has evidenced the justification for support given so far, and the potential for business growth to reduce this level of support. Unfortunately this has also led to an expectation by the Dukes that the Council should continue to fund some of its further business development activities.

### **3.0 The request from the Grand**

- 3.1 The details of the request are set out in some detail in the report to Cabinet on 11<sup>th</sup> March. In summary, the request is for financial assistance equivalent to the cost of the Grand's lease from the City Council for part of the car park at the front of the theatre. This equates to £3,400 per annum, noting that this includes VAT as the Grand is not VAT registered. Members will recall the officer view that if such assistance was to be offered, this would need to be in the form of a grant but that more information was needed to consider this properly.
- 3.2 In response, the Grand has provided copies of its last two completed accounts (2011/12 and 2012/13). The 2013/14 accounts are not yet available as the Grand's financial year runs to the end of April. This is expanded upon later in the financial implications section. The Chairman of Lancaster Footlights has also provided a short note (appended) explaining the context for the accounts which also contains observations on the link between the Grand's performances and the City Council's car parking revenue.
- 3.3 In terms of this latter point, the Parking Manager has confirmed that for the latest 12 months that is available the Council generated £12,700 in parking fees from evening parking and tariffs that include an element of evening parking (those customers arriving before 6.00pm and staying into the evening). When VAT is deducted this equates to £10,590. This is from Upper and Lower St Leonard's Gate and Lodge Street car parks. This

accounts for around 10% of our total revenue generated from evening parking charges. However, it is impossible to say what proportion of this income is directly attributable to the Grand Theatre or for that matter any other local businesses. The fact is that the Council has a car parking strategy which is underpinned by a pricing policy which has already been agreed as part of the 14/15 budget process, and this in turn directly supports the aims and objectives of the Council's corporate plan. It should be further noted however, that in terms of fairness this principle could also be applied to all local businesses whose customers use the council's public car parks.

- 3.4 The Grand Theatre remain in dialogue with British Land/Centros over their inclusion within the Canal Corridor scheme. These discussions need to continue in parallel with development of the Canal Corridor scheme but at the time of writing there is nothing further to add to the comments included in the March report.

#### 4. Details of consultation

- 4.1 No consultation has been necessary

#### 5.0 Options and Options Analysis (including risk assessment)

	<b>Option 1:</b> That neither request be granted.	<b>Option 2:</b> To award grant funding in full to one or both theatres.	<b>Option 3:</b> To award one or both theatres grant funding in part (e.g. lower amount, or for shorter period).
Advantages	<p>No further draw on the Council's budget at a time of budgetary pressure.</p> <p>Reduces the likelihood of a future conflict of interest with the Canal Corridor redevelopment.</p> <p>May help maintain / encourage financial independence of the theatres, and/or encourage greater financial contribution from British Land.</p>	<p>Supports the theatres at a time when they need to make provision for development proposals.</p>	<p>The draw on the Council's budget is less than the full cost.</p>
Disadvantages	<p>The theatres may not be able to advance their preparations for developing their offers alongside the Canal Corridor</p>	<p>Additional cost to the Council at a time of increasing budgetary pressure.</p>	<p>As per option 2, albeit a lesser amount.</p>

	redevelopment.		
Risks	Could be perceived as showing a lack of support for well-known cultural facilities in the area and the theatres might not support the council in its ambitions for the Canal Corridor redevelopment.	May raise future expectations.  Runs contra to aims for moving towards a commissioning approach.  Could lead to other similar applications for grant aid, or perceived unfairness.	As per option 2.  May fail to meet either theatre's objectives.

### 5.1 Officer Preferred Option

Option 1 is the preferred option for the reasons given below.

### 6.0 Conclusion

- 6.1 Successful theatres benefit the district in a number of ways and are a key element of the Canal Corridor scheme. The case for providing more financial support must be balanced against the potential for other similar operators to approach the council for support (given the current budgetary climate) and possible conflicts of interest in terms of the Canal Corridor scheme.

#### RELATIONSHIP TO POLICY FRAMEWORK

The development of the district's arts offer is highlighted as a key economic development objective in the Council's Cultural Heritage Strategy. This form of economic development activity aligns with the Corporate priority for economic growth in the Corporate Plan.

#### CONCLUSION OF IMPACT ASSESSMENT

(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing)

No impacts on the above

#### LEGAL IMPLICATIONS

The two requests relate to discretionary grants and there are no direct legal implications arising from this report. However the Canal Corridor Development Agreement with Centros/British Land places obligations on the Council and the Developer which may influence the aspirations for both theatres and it would be premature to consider offering financial assistance at this time until the development proposals are crystallised, as they may offer a more holistic solution to the ambitions of both theatres.

#### FINANCIAL IMPLICATIONS

There are no additional financial implications arising from the officer preferred option 1.

The Dukes reported a £33.1K deficit within their audited accounts on their general unrestricted operating reserve for the period ending 31 March 2013. The Trustees report states that going forward the Dukes have set a budget for the 3 years to March 2016 with the aim of achieving a forecast £64.9K on their general unrestricted reserve. It is not possible to comment fully on their latest financial position however, as the 2013/14 draft accounts will not be available until the end of May. It is worth noting that the Dukes have recently advertised a new senior Executive Director role within the organisation to take on responsibility for the financial direction and increasing complex tasks in managing the theatre, although it is not clear how this will be funded at this stage.

The Grand has provided accounts for the years ending 30 April 2012 and 2013 and these show that at the end of their 2012/13 financial year, they hold an operating reserve totalling £36K (exceeding their stated policy of maintaining an operating balance of £20K). A further note has been provided by the Chairman of Footlights predicting a £5K loss for the period ending April 2014 compared to an underlying £7K surplus in the previous year after accounting for one off income and capital expenditure funded from reserves. Again, at this stage as there are no accounts available for 2013/14 it is not possible to comment fully on the Grand's latest financial position.

It is re-iterated that to date neither theatre has provided a clear reason/strong business case to support their respective request for grant funding. Should Members be minded to support either option 2 or 3, however, then there will be an additional one-off cost to the Council of up to £12K relating to the Dukes and a further additional cost of up to £3.4K per annum relating to the Grand, for as many years as the grant is awarded with the following sources of funding identified:

- Performance Reward Grant Reserve (from the £15K allocated for voluntary sector initiatives)
- Arts Development Budget (from the £4.6K uncommitted balance remaining in 2014/15, noting that this could mean a redirection of resources from other Arts Development activities as and when they come forward meaning they might not be able to progress in the current financial year).

#### **OTHER RESOURCE IMPLICATIONS**

##### **Human Resources:**

None

##### **Information Services:**

None

##### **Property:**

The Dukes Theatre is owned by the City Council so any expansion or improvement of the building would have a direct impact on the council's property portfolio.

##### **Open Spaces:**

None

<b>SECTION 151 OFFICER'S COMMENTS</b> The Section 151 Officer advises Cabinet to consider carefully the considerations outlined in this report in reaching any decision; she is in support of the officer preferred option.	
<b>MONITORING OFFICER'S COMMENTS</b> The Monitoring Officer has been consulted and has no further comments.	
<b>BACKGROUND PAPERS</b> None.	<b>Contact Officer:</b> Andrew Dobson <b>Telephone:</b> 01524 582303 <b>E-mail:</b> adobson@lancaster.gov.uk <b>Ref:</b>

## Lancaster Grand Theatre Finances put into Context following the request from the Cabinet Meeting on 11<sup>th</sup> March 2014

The reason behind the request to the theatre for more information arose from the request by the Grand Theatre for financial support in connection with the lease from the City Council of £3432 (£2860 + VAT as the Grand is not VAT registered) to rent the small car park used by theatre volunteers and staff..

### 1. Background to the current financial year.

- After all non- recurring items had been taken out, the 2012-13 financial year produced a small underlying trading surplus of £7K with operating costs of £249K.
- Since the 2012-13 year end, there have been two long term and ongoing changes to the theatre income and expenditure streams which reduce any surplus by £16K. In addition, following the national trend felt by all theatres, seat sales have fallen in the current year. Analysis of figures to date show the drop to be around 11% compared to last year. This reduces the bottom line even further by £11K which, with other minor changes reduced predicted profits by around £30K to a potential loss of £23K, completely swamping last year's surplus of £7K.
- Predicting it was likely to be a difficult year, cost reduction measures were put in place at the beginning of the financial year in an attempt to avoid making a loss, with a target cost reduction of £20K. However, as the year has progressed, even if these cost reductions are fully realizable, the year to date indicates that the theatre is still heading for a loss of around £5K.

### 2. City Council car parking - revenues arising directly out of Grand Theatre performances.

- The St Leonardgate and other public car parks, adjacent to the theatre, were used by customers for all the 145 nights of performances at the Grand last year. In total, 37,797 seats were sold.
- If all visiting customers travelled on average three to a car (the average size of our bookings), there would have been 12,500 cars parked in city car parks over the year. At £1-40 per car, that would have produced a potential income to the council of £17,500. However, in reality not all customers come by car so if it assumed that only half of them came in private cars, the income generated would still have been £8750. (There is additional car parking revenue from some customers who travel into town well before the show, pay to park, get a meal and then pay the £1-40 evening parking as well).
- Putting the size of the request into context, £3432 is the equivalent revenue to 2451 cars parked on city car parks in the evening over the year which equates to 17 cars parked per performance. There is absolutely no doubt that this is well below the actual theatre car parking levels and it is clear therefore that the income generated for the city by the shows at the Grand is probably nearer the £8750 above, significantly above the £3432 requested.

Mike Hardy

Chairman of Footlights

**LANCASTER FOOTLIGHTS  
TRUSTEES' REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 30 APRIL 2012**



**LANCASTER FOOTLIGHTS**

**LEGAL AND ADMINISTRATIVE INFORMATION**

**Trustees approving the accounts**

Mike Hardy  
June Akrigg  
David Slater  
James Smith  
Dorothy Walker  
Emily Jefferson  
Paul Mullineaux  
Sim Lane-Dixon  
Donna Pullin  
Terry Akrigg  
Carl Hayhurst

Chairman  
Secretary  
Finance Director

**Theatre manager**

Elaine Singleton

**Secretary**

June Akrigg

**Charity Number**

509425

**Independent examiner**

Charles R Willett of  
Taylor, Robertson & Willett Limited,  
Chartered Certified Accountants,  
95 King Street  
Lancaster,  
Lancashire.  
LA1 1RH

**Bankers**

Yorkshire Bank plc  
45 Penny Street  
Lancaster  
Lancashire  
LA1 1UE

COIF Charities Deposit Fund  
St Alphage House  
Fore Street  
London

**LANCASTER FOOTLIGHTS**

**CONTENTS**

	<b>Page</b>
<b>Trustees' report</b>	<b>1 – 6</b>
<b>Independent examiner's report</b>	<b>7</b>
<b>Statement of financial activities</b>	<b>8</b>
<b>Balance sheet</b>	<b>9</b>
<b>Notes to the accounts</b>	<b>10 – 15</b>
<b>Detailed trading and income and expenditure accounts</b>	<b>16 – 19</b>

## **LANCASTER FOOTLIGHTS**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 30<sup>th</sup> APRIL 2012**

The trustees present their report and accounts for the year ended 30 April 2012.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's constitution, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005.

#### **Organisation**

##### **Constitution**

Footlights is governed by its constitution which was revised at an EGM in June 2012. Changes to the constitution require approval of a majority of the members present at an Annual General Meeting or an Extraordinary General meeting. In the event of dissolution of Footlights, the property and assets would be disposed of by the Custodian Trustees to the benefit of any educational, literary or artistic institution in the City of Lancaster or its neighbourhood with the approval of the Charity Commissioners provided that such an institution is charitable. The proceeds of disposal would not be paid or distributed to members in any way.

##### **Appointment of Trustees**

The Board (the Trustees) are appointed for a year and their appointment is undertaken annually at the September AGM. Members wishing to seek election or wishing to nominate others can put their names forward for consideration. There is no limit on existing members' service. Ballots are required if there are more nominees than places available. No external body has any power of election of Trustees.

##### **Induction and training of Trustees**

Trustees are briefed on their legal obligations under charity law, the decision-making processes of the Board, the business plan and recent financial performance of the charity.

##### **Organisational Structure and Decision Making**

The Board administers the charity. It meets up to eight times a year and has several sub committees and persons reporting to it. These are:

Production Committee (responsible for selecting and recommending Footlights production titles)  
Theatre Buildings Management Committee  
Bar Manager  
Coffee Bars Manager  
Costume Management and Hire Manager  
Footlights costume co-ordination manager  
New Spaces Fund raising Committee

Ad hoc committees can also be formed for specific short-term requirements. Decisions of "last resort", including the financial area and the carrying out of higher supervisory tasks, are made by the Board. The Theatre Manager manages the day-to-day operations of the charity. To facilitate effective operations, the Theatre Manager has delegated authority, within the terms approved by the Board for operational matters including finance, employment and some artistic performance related activities.

## **LANCASTER FOOTLIGHTS**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 30<sup>th</sup> APRIL 2012**

#### **Risk management**

The Board has a risk management strategy comprising

1. An annual review of the risks the charity may face
2. The establishment of systems and procedures to mitigate those risks identified
3. The implementation of procedures and policies designed to minimise any potential impact on the charity should those risks materialize.

This assessment has in the past resulted in comprehensive emergency procedures (which are regularly exercised), pre-performance safety checks, improvements to the fire detection system and production of generic risk assessments. Financial risks are managed by limiting delegations, spending controls and the policy of maintaining adequate reserves.

#### **Objects and Activities**

The objects of Footlights are to:

1. promote, maintain, improve, and advance education, particularly by the production of educational plays and the encouragement of the Arts, including the arts of drama, dramatic authorship, mime, dancing, singing, and music,
2. maintain and preserve the Grade II listed building built in 1782 known as the Lancaster Grand Theatre as an ongoing venue for such plays and encouragement of these objects

Footlights mission is to provide a venue for community theatre and thus contribute to the quality of life of the people of Lancaster and its surrounding areas by expanding their horizons through the provision of exciting, challenging and accessible professional and community arts events.

The strategies employed to achieve the charity's objectives are to:

1. offer opportunities for a broad range of people to get involved in arts activity exploring their own creative powers,
2. provide facilities for amateur (and professional) artists to develop,
3. concentrate on involving young people in the arts to help encourage a culture in which different age ranges play a complementary part,
4. present a broad range of arts work.

#### **Communications to members**

A monthly members' newsletter (Footnote) keeps members informed of Footlights activities and Board meeting decisions. Informal meetings of members and "Friends of the Grand" take place on Saturday Mornings in the theatre foyer. Total membership for the year was 271 (296 in 2010/11) with a further 36 "Friends of the Grand". "Friends of the Grand" help with theatre related activities in addition to Footlights members but do not specifically take part in Footlights activities.

#### **Productions by other Amateur Groups**

Four local Musical Societies hired the theatre for a week each and produced a variety of musical shows. Two of the local dancing schools hired the theatre for dancing shows involving their pupils. The theatre hosted another very successful local talent show in conjunction with a local newspaper and Nationwide Building Society. The Grand Rock Out was repeated following its success over the past years as a showcase for local rock bands. Lunchbox Theatre put on Four Divorces and a wedding.

#### **Productions by Professional Companies**

Various professional companies hired the theatre for 56 nights in total. The productions varied in their nature and appeal including ballet, tribute bands, musical shows, and several nationally known comedians. Some of these were Shappi Khorsandi, Chubby Brown, Cannon and Ball, Barry Cryer, Freddie Starr and Jenny Eclair. Specific childrens' related shows included "The Dragon who lost his home", "Hairy Maclary" and "The Chuckle Brothers". The wide range of acts programmed is designed to attract different audience types to the theatre and hopefully entice them into becoming regular theatre goers.

**LANCASTER FOOTLIGHTS****TRUSTEES' REPORT FOR THE YEAR ENDED 30<sup>th</sup> APRIL 2012****Other uses of the Theatre**

The theatre was hired on several occasions during the night by paranormal societies who set up their equipment to look for the reputed ghost within the theatre.

**Contribution of Volunteers**

Footlights members and Friends of the Grand volunteered their time to support Footlights plays and all other performances. They also gave their time towards maintenance and improvement of the theatre building and providing the additional service of costume hire.

**Staff**

There was a reduction of one staff member in the box office this year. In addition to a full time Theatre Manager, the theatre continues to employ the following on a part time basis: two duty managers, four box office assistants, a handyman, a cleaner and a technician.

**PERFORMANCE INFORMATION****Audience Figures**

The total audience numbers covering productions was slightly down on the year before reflecting four fewer performances. However, the average capacity factor was 1% higher than last year at 57% mainly due to the increase in Footlights audience sizes. Internet bookings again increased from the previous year with the overall average figure now rising to 33%. The community groups experienced a significant increase in internet bookings due to the change in ticket sales policy from some of the groups.

Organisations	Performances 2010/11	Performances 2011/12	Seats sold 2010/11	Seats sold 2011/12
Footlights	36	38	8,837	9,814
Community groups	39	41	10,192	11,311
Professional acts	64	56	17,151	14,250
<b>Total</b>	139	135	36,180	35,375

Organisations	Internet bookings 2010/11	Internet bookings 2011/12
Footlights	16%	32%
Community groups	6%	27%
Professional acts	38%	40%

Average capacities were as follows:

	2010/11	2011/12	Change
Footlights shows	39%	56%	+17%
Community groups	59%	60%	+1%
Professional acts	56%	55%	-0.7%

## LANCASTER FOOTLIGHTS

TRUSTEES' REPORT FOR THE YEAR ENDED 30<sup>th</sup> APRIL 2012**Production of plays**

During the financial year Footlights presented the following productions

The Twits	Roald Dahl
Bedroom Farce	Alan Ayckbourn
Cinderella Pantomime	Lynne Schofield
Spring and Port Wine	Bill Naughten
Blood Brothers	Willy Russell

In addition, Act One Summer School was run by Footlights for a week in August ending in a performance of Bugsy Malone.

**Studio Footlights**

Studio Footlights was set up as an additional string to Footlights bow to complement the mainstream Footlights productions at the Grand. It is intended to allow Footlights to offer plays that are better suited to the informal intimate setting of a studio theatre whilst retaining the high quality support already established at the Grand Theatre.

The venue chosen for the first studio performance was the Gregson Community and Arts Centre, less than ½ mile away from the Grand. A rolling programme of three plays each year is being planned.

The first production planned was "The Pillow Man" by Martin McDonagh which attracted many new members to be in the cast.

**FINANCIAL PERFORMANCE****Overall Trading results**

Following last year's trading surplus of £39K, this year also turned in a trading surplus of £36.8K. Again a significant contribution came from the professional lets but Footlights attendances were also up on last year - the pantomime was watched by over 6,000 people and Rebecca and Blood Brothers 1,300 and 1,400 respectively.

**On-line booking**

Since the introduction of internet booking in 2009, the proportion of internet booking has increased year on year. This has been a major factor in the increase in professional let attendance levels. The figures for on-line bookings this year continued this trend. The majority of the on line bookings were for professional acts at 40% (38% 2010/11) but Footlights were not far behind at 32% (16% 2010/11) and the community groups increased their on line bookings significantly to 27% from 6% in 2010/11.

**Capital items**

All the items listed in last year's accounts have been purchased or the work done plus two additional large jobs – the upgrading the computer systems and electrical upgrading work mainly back stage. Details are:

1	Replacement of 2 sets of stalls external doors	£ 2.4K
2	Installation of an additional motorised storage bar at the rear of the stage to improve lamp storage facilities	£ 2.4K
3	Replacement of the worn out and stained stalls carpet	£ 1.9K
4	Removal of remaining cast iron heating system pipework and radiator in the stalls and regulation of flows to the stage and dressing rooms	£ 7.9K
5	Updating of lighting control desk	£ .6K
6	Loading ramp and platform	£ .1K
7	Mandatory replacement of radio microphones	£ 9.8K
8	Replacement server	£ 4.5K
9	Stage camera	£ 0.9K
	Total	£ 36.7K

## LANCASTER FOOTLIGHTS

TRUSTEES' REPORT FOR THE YEAR ENDED 30<sup>th</sup> APRIL 2012**Income**

The revenue from Footlights benefitted from well attended productions with box office receipts £9K up on last year at £73K (£64K 2010/11). Income from professional lets was also up on last year. Again, careful selection of visiting acts and keen contract negotiations by the Theatre Manager produced excellent results. The total professional lets income was up £4K at £61K compared to £57K last year.

**Support Businesses - bar, coffee bars and costume hire**

The support businesses produced a net income of £22K (£2K down on last year). It was made up as follows:

Bar	£10.9K (2011: £15K)
Coffee bars	£ 7.7K (2011: £8.5K)
Costume hire	£ 3.8K (2011: £1.1K)
	£22.0K

Bar profits were down on last year reflecting lower sales volumes of £26.6K against £32K last year. Coffee bar profit was slightly down on last year again on slightly reduced sales (£20.3K against £20.9K). Costume hire profit easily beat their £2500 target set last year. This was a result of the combination of a review of hire terms and conditions, increased hire charges and regular Saturday morning openings. Costs were also reduced by moving costumes stored in rented accommodation to the Lune Estate scenery store saving £600 per annum.

**Publicity**

A total of £20.7K (£18.6K in 2010/11) was spent on advertising and marketing. The advertising costs were made up as follows:

	2011/12	2010/11
Newspaper and radio advertising	£6,590	£5553
Production and distribution of two "What's on" brochures	£8,807	£6868
External Posters	£2,830	£4190
Miscellaneous	£2,482	£1988
	£20,709	£18599

**Reserves Policy**

To cover emergencies and single year operational shortfalls, Footlights policy is to hold a minimum operational reserve of £20K. At the end of the financial year the operating reserve had risen to £67K which will reduce following expenditure on capital items and improvements in 2012/13. The expenditure will be limited to that required to maintain the £20K reserve.

**Asset cover for funds**

Note 12 sets out an analysis of the assets attributable to the various funds and a description of the trusts. These assets are sufficient to meet the charity's obligations on a fund-by-fund basis.

**FUND RAISING****a) Donations and legacies**

There were no legacies and any donations were put towards the new spaces appeal.

**b) New Spaces Appeal**

Fund raising has continued and the total raised by 30<sup>th</sup> April 2012 stood at £126K (£106K 2010/11). Fund raising continues to fund the required balance of £510K.

## LANCASTER FOOTLIGHTS

### TRUSTEES' REPORT FOR THE YEAR ENDED 30<sup>th</sup> APRIL 2012

#### TRUSTEES

##### Charity Trustees

The Board Members are the Trustees. Their names at the time of approval of the accounts are listed under legal and administrative information.

##### Custodian Trustees

Their function within the Constitution is to hold in trust the Grand Theatre buildings on behalf of Footlights. They are:

David Bateman	-	Retired Teacher
David Hardy	-	Solicitor
Mike Hardy	-	Retired Director
Sim Lane Dixon	-	Highways manager

To recognise the work and dedication to the Grand Theatre of Ray Langley, Footlights President and the Custodian Trustee who passed away last year, Box B was renamed "The Langley Box" in February 2012.

##### Planned work for 2012/13

- |  |             |
|--|-------------|
| 1. Purchase of 18 LED par cans and 12 LED bars to reduce electricity consumption, improve lighting quality and flexibility and reduce the need for gels. | £10K        |
| 2. Replacement of the fire curtain   | £20K        |
| 3. Re-tiling of the ground floor toilets floors  | £ 3K        |
| 4. Replacement of the foyer carpet   | £ 2K        |
| 5. Upgrade and enlargement of the under stage toilet   | <u>£ 2K</u> |
|  | £38K        |

##### Future Direction

There are five key actions:

1. Continue raising the required additional £510K to build the new foyer.
2. Continue to expand the use of the theatre as a community facility.
3. Build on the success of the Studio Footlights to improve the range of plays available both to actors and the general public.
4. Continue the drive to interest new, younger members to ensure continuity in the long term.
5. Continue the programme of replacement of ageing equipment

Signed by the Chairman on behalf of the Trustees

  
Mike Hardy

24 October 2012  
Dated



**LANCASTER FOOTLIGHTS**

**INDEPENDENT EXAMINER'S REPORT**

**TO THE TRUSTEES OF LANCASTER FOOTLIGHTS**

I report on the accounts of Lancaster Footlights for the year ended 30 April 2012, which are set out on pages 8 to 19.

**Respective responsibilities of trustees and examiner**

As the charity's trustees, you are responsible for the preparation of the accounts; you consider that the audit requirement of section 43(2) of the Charities Act 1993 (the Act) does not apply. It is my responsibility to state, on the basis of procedures specified in the General Directions given by the Charity Commissioners under section 43(7)(b) of the Act, whether particular matters have come to my attention.

**Basis of independent examiner's report**

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanation from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
  - (i) to keep accounting records in accordance with section 41 of the Act; and
  - (ii) to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Act;have not been met; or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Charles R Willett of  
Taylor, Robertson & Willett Limited  
Chartered Certified Accountants  
95 King Street  
Lancaster  
Lancashire  
LA1 1RH

24 October 2012

Dated

## LANCASTER FOOTLIGHTS

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 APRIL 2012

	Notes	Lancaster Footlights £	Grand Theatre £	Appeals & Legacy £	Total 2012 £	Total 2011 £
<b>Incoming Resources from Generated Funds</b>						
Donations, Legacies and Grants	2	-	-	10,943	10,943	12,144
Investment Income	4	-	703	1,838	2,541	804
		-	703	12,781	13,484	12,948
Incoming Resources from Charitable Activities	3	80,859	167,503	9,195	257,557	248,295
<b>Total Incoming Resources</b>		<b>80,859</b>	<b>168,205</b>	<b>21,976</b>	<b>271,041</b>	<b>261,243</b>
<b>Resources Expended</b>						
Cost of Activities in Furtherance of the Objects		48,832	197,303	2,082	248,218	198,788
Governance Costs		1,976	2,344	-	4,320	4,371
<b>Total Resources Expended</b>		<b>50,809</b>	<b>199,647</b>	<b>2,082</b>	<b>252,538</b>	<b>203,158</b>
<b>Net Incoming Resources Before Transfers</b>		<b>30,051</b>	<b>(31,442)</b>	<b>19,894</b>	<b>18,503</b>	<b>58,084</b>
Transfer to Balance Sheet Sinking Fund		-	(8,000)	-	(8,000)	(8,000)
<b>Net Income for the Year/Net Incoming Resources</b>		<b>30,051</b>	<b>(39,442)</b>	<b>19,894</b>	<b>10,503</b>	<b>50,084</b>
Transfer between funds		(17,500)	17,500	-	-	-
Fund Balance at 1 May 2011		9,639	29,417	106,004	145,060	94,976
<b>Fund balances at 30 April 2012</b>		<b>22,190</b>	<b>7,475</b>	<b>125,898</b>	<b>155,563</b>	<b>145,060</b>

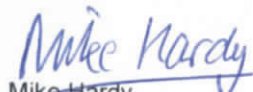
## LANCASTER FOOTLIGHTS

## BALANCE SHEET

AS AT 30 APRIL 2012

	Notes	2012 £	2011 £
<b>Fixed Assets</b>			
Tangible Assets	8	229,000	233,500
<b>Current Assets</b>			
Stocks		1,960	1,690
Debtors	9	7,670	9,408
Cash at Bank and in Hand		255,628	200,675
		<u>265,258</u>	<u>211,773</u>
<b>Creditors: Amounts Falling Due Within One Year</b>	10	<u>(85,350)</u>	<u>(50,368)</u>
		179,908	161,405
		<u>408,908</u>	<u>394,905</u>
<b>Income Funds</b>			
Unrestricted Funds:			
Revaluation Reserve	11	229,345	233,845
Sinking Fund	11	24,000	16,000
Designated Funds - Other Charitable Funds:			
Lancaster Footlights	11	22,190	9,639
Grand Theatre General Fund	11	7,476	29,417
Grand Golden and Theatre Appeals	11	125,897	106,004
		<u>408,908</u>	<u>394,905</u>

The Accounts were approved by the Trustees on

10<sup>th</sup> July 2012

Mike Hardy  
(Chairman)

**LANCASTER FOOTLIGHTS****NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 30 APRIL 2012****1 Accounting policies****1.1 Basis of preparation**

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Charities Act 1993.

**1.2 Incoming resources**

Activities Income.

Activities income consists of ticket sales, letting, and all other similar income associated with the running of an amateur dramatic organisation and its associated Theatre premises. Income is accounted for on an accruals basis.

Donations and Voluntary Income.

Grants and donations are received from a variety of private sources, are accounted for gross when receivable, and are credited to the accounting period in which the donation or grant is received.

Gifts received in kind, where they are capable of financial measurement are included in the accounts at their estimated valuation.

**1.3 Resources expended**

All expenditure is accounted for as and when incurred.

Direct Charitable expenditure includes the direct costs of carrying out the activities of the charity's objectives.

**1.4 Tangible fixed assets and depreciation**

The only fixed asset is the Freehold Property known as the Grand Theatre. Major expenditure on the fabric of the building is dealt with through the Sinking Fund, a fund Designated by the Trustees. The building is subject to periodic revaluations.

Depreciation is provided for to comply with current accounting standard and FRS15 as detailed below.

All other assets (e.g. Equipment) are written off fully in the year of purchase as they have little, if any, residual value. However items of equipment which are essentially refurbishment expenditure are dealt with through the Income and Expenditure account, and the Balance Sheet Sinking Fund.

Freehold land is not depreciated

Freehold buildings

50 years straight line

**1.5 Stock**

Stocks are valued at the lower of cost or net realisable value.

**1.6 Renovation and Refurbishment**

In order to maintain the fabric of the Grand Theatre, Lancaster, substantial sums are required. The building is Grade II listed. There are also plans to construct a new foyer on the side of the Theatre to reduce congestion. Lancaster Footlights has previously established the Grand Golden appeal and the Grand Theatre appeal to raise the necessary funds, and these continue to attract donations. The balance of these funds as at 30 April 2012 stands at £125,898 (2011 - £106,004) which reflects the balance of monies held in the specific designated bank accounts.

## LANCASTER FOOTLIGHTS

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2012

## 2 Donations and Legacies

	Grand Theatre £	Theatre Appeals £	Total 2012 £	Total 2011 £
Legacy	-	-	-	-
Seat Sponsors and Donations	-	1,210	1,210	168
Covenants	-	6,315	6,315	9,099
Tax Refunds	-	3,419	3,419	2,877
	<u>-</u>	<u>10,943</u>	<u>10,943</u>	<u>12,144</u>

## 3 Incoming Resources from Charitable Activities

	Lancaster Footlights £	Grand Theatre £	Theatre Appeals £	Total 2012 £	Total 2011 £
Season Tickets	700	-	-	700	825
Tickets	72,754	-	-	72,754	63,899
Programme Sales	1,795	-	-	1,795	1,838
Lancaster Footlights Coffee Bar Income	1,250	-	-	1,250	1,191
Merchandising and Sundry Income	1,790	426	-	2,216	1,968
Members Subscriptions	2,571	-	-	2,571	2,568
Fund Raising Activities	-	-	9,195	9,195	9,318
Use of Theatre	-	82,269	-	82,269	78,926
Lancaster Footlights	-	24,000	-	24,000	23,000
Theatre Tours	-	312	-	312	340
Bar Receipts	-	26,760	-	26,760	32,176
Catering Receipts	-	20,347	-	20,347	20,897
Costume Hire	-	3,819	-	3,819	1,883
Equipment, Scenery and Props Hire	-	3,329	-	3,329	1,946
Car Park Income	-	1,210	-	1,210	1,270
Advertising Income	-	5,030	-	5,030	6,250
	<u>80,859</u>	<u>167,503</u>	<u>9,195</u>	<u>257,557</u>	<u>248,295</u>

## LANCASTER FOOTLIGHTS

## NOTES TO THE ACCOUNTS (CONTINUED)

## FOR THE YEAR ENDED 30 APRIL 2012

## 4 Investment Income

	Grand Theatre £	Theatre Appeals £	Total 2012 £	Total 2011 £
Interest Receivable	703	1,838	2,541	804

## 5 Total Resources Expended

	Lancaster Footlights £	Grand Theatre £	Theatre Appeals £	Total 2012 £	Total 2011 £
Costs of Activities in Furtherance of the Objects	48,832	197,303	2,082	248,218	198,788
Governance Costs	1,976	2,344	-	4,320	4,371
	50,809	199,647	2,082	252,538	203,158

## 6 Trustees

No Trustee or member of the Management Committees received any remuneration either directly or indirectly during the year.

No Trustee or Member of the Management Committees received any expenses during the year, except in relation to reimbursement of costs necessarily incurred in relation to the charity's activities.



## LANCASTER FOOTLIGHTS

## NOTES TO THE ACCOUNTS (CONTINUED)

## FOR THE YEAR ENDED 30 APRIL 2012

## 7 Employees

## Number of Employees

The average monthly number of employees during the year was:

	2012 Number	2011 Number
Theatre Staff (including part time)	11	10

## Employment Costs

	2012 £	2011 £
Wages and Salaries	54,059	50,219

There were no employees whose annual emoluments were £60,000 or more.

## 8 Tangible Fixed Assets

	Land & Buildings £
<b>Valuation</b>	
At 1 May 2011 and at 30 April 2012	265,000
<b>Depreciation</b>	
At 1 May 2011	31,500
Charge for the Year	4,500
At 30 April 2012	36,000
<b>Net Book Value</b>	
At 30 April 2012	229,000
At 30 April 2011	233,500

The Grand Theatre was revalued on 13 October 2003 by Peill & Company, Chartered Surveyors. The valuation of £265,000 was based, at that time, on market value.

The Trustees are not aware of any material change since the valuation in 2003.

The original cost of the Grand Theatre was £7,000.

Depreciation relating to the Theatre is charged against the Revaluation Reserve.

## LANCASTER FOOTLIGHTS

## NOTES TO THE ACCOUNTS (CONTINUED)

## FOR THE YEAR ENDED 30 APRIL 2012

**9 Debtors**

	2012 £	2011 £
Trade Debtors	500	2,500
Prepayments	7,170	6,908
	<b>7,670</b>	<b>9,408</b>

**10 Creditors: Amounts Falling Due Within One Year**

	2012 £	2011 £
Trade Creditors	-	-
Taxes and Social Security Costs	789	749
Monies Received in Advance	290	860
Deferred Income	80,838	44,504
Accruals	3,433	4,255
	<b>85,350</b>	<b>50,368</b>

**11 Designated Funds - Other Charitable Funds**

	Balance at 1 May 2011	Incoming resources	Resources expended	Transfers	Balance at 30 April 2012
	£	£	£	£	£
Lancaster Footlights Fund	9,639	80,859	(50,809)	(17,500)	<b>22,190</b>
Grand Theatre General Fund	29,417	168,205	(199,647)	9,500	<b>7,476</b>
Grand Golden and Theatre Appeals	106,004	21,976	(2,082)	-	<b>125,897</b>
	<b>145,061</b>	<b>271,041</b>	<b>(252,538)</b>	<b>(8,000)</b>	<b>155,563</b>

**Theatre Revaluation Reserve**

This fund merely records the ongoing surpluses, or deficits, on the periodic revaluation of the Grand Theatre. It cannot be utilised for any other purpose.

The Grand Theatre was purchased for £7,000 on 8 January 1951. The asset value of the Theatre had reduced, by depreciation, to £2,655 by 1981, after which time depreciation was charged. The revaluation in 1988 to £175,000 provided a revaluation Reserve balance of £172,345. The revaluation in 2004, from £172,000 to £265,000 added a further £93,000 to the Reserve, making a total Revaluation Reserve of £265,345. This reserve has been reduced by £36,000 to £229,345 due to depreciation charge in the current and previous years.

**Theatre Sinking Fund**

This fund has been established in order to provide a designated reserve for long term maintenance of the Theatre. A balance of £24,000 (2011 - £16,000) has been designated by the Trustees in the year against expected future costs.

**LANCASTER FOOTLIGHTS****NOTES TO THE ACCOUNTS (CONTINUED)****FOR THE YEAR ENDED 30 APRIL 2012****12 Analysis of Net Assets Between Funds**

	Other Charitable Funds £	Theatre Sinking Fund £	Theatre Revaluation Reserve £	Total £
Fund Balances at 30 April 2012 are Represented by:				
Tangible Fixed Assets	-	-	229,000	229,000
Current Assets	240,913	24,000	345	265,258
Creditors: Amounts Falling Due Within One Year	(85,350)	-	-	(85,350)
	<u>155,563</u>	<u>24,000</u>	<u>229,345</u>	<u>408,908</u>

**13 Contingent Liabilities**

There were no Contingent Liabilities as at 30 April 2012 or 30 April 2011.

**14 Commitments Under Operating Leases**

At 30 April 2012 the company had annual commitments under non-cancellable operating leases as follows:

	<b>Land &amp; Buildings</b>	
	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Expiry date:		
Within one year	<b>4,248</b>	3,186
Between two and five years	<b>3,186</b>	-

Lancaster Footlights has a rental commitment over a storage unit. The annual charge payable which includes rent, insurance and service charge on this unit is £4,248 (2011 £4,248). The licence has been re-negotiated to allow sub letting of the premises and accordingly, but at this time there is no-one sub letting the unit.

The current lease expires on 31st January 2014.

**15 Capital Commitments**

There were no Capital Commitments as at 30 April 2012 or 30 April 2011.

**16 Taxation**

As a charity, Lancaster Footlights is exempt from tax on income and gains falling with Section 505 of the Taxes Act 1988, or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

## LANCASTER FOOTLIGHTS

## DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2012

## Lancaster Footlights

	2012		2011	
	£	£	£	£
<b>Incoming Resources</b>				
<b>Incoming Resources from charitable activities</b>				
Season Tickets		700		825
Tickets		72,754		63,899
Programmes Sales		1,795		1,838
Lancaster Footlights Coffee Bar Income		1,250		1,191
Merchandising and Sundry Income		1,790		1,913
Members Subscriptions		2,571		2,568
		<u>80,859</u>		<u>72,235</u>
<b>Resources Expended</b>				
<b>Cost of Activities in Furtherance of the Charity's Objects</b>				
Notional Rent	24,000		23,000	
Postage and Stationery	307		423	
Production Expenses	17,765		12,926	
Production Publicity	3,178		3,205	
Rent of Unit	2,810		5,154	
Rent of Rehearsal Room	37		966	
Rented Unit Water Rates and Insurance	61		279	
PRS	676		424	
	<u>48,832</u>		<u>46,377</u>	
<b>Governance Costs</b>				
Accountancy and Payroll	900		875	
Sundry Expenses	276		528	
Credit Card Fees	800		749	
	<u>1,976</u>		<u>2,152</u>	
<b>Total Resources Expended</b>		<u>50,809</u>		<u>48,528</u>
<b>Net Incoming Resources for the Year</b>		<u>30,051</u>		<u>23,706</u>
<b>Balance Brought Forward at 1 May 2011</b>		<u>9,639</u>		<u>3,433</u>
<b>Transfer Between Funds - Grand Theatre</b>		<u>(17,500)</u>		<u>(17,500)</u>
<b>Balance Carried Forward at 30 April 2012</b>		<u>22,190</u>		<u>9,639</u>

## LANCASTER FOOTLIGHTS

## DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2012

## Grand Theatre

	2012		2011	
	£	£	£	£
<b>Incoming Resources</b>				
<b>Incoming Resources from Charitable Activities</b>				
Amateur Group Lets		20,700		21,880
Professional Lets		61,569		57,046
Car Park Income		1,210		1,270
Advertising Income		5,030		6,250
Lancaster Footlights Rent		24,000		23,000
Equipment, Scenery and Props Hire		3,329		1,946
Theatre Tours		312		340
Bar Receipts		26,760		32,176
Coffee Bar Receipts		20,347		20,897
Costume Hire		3,819		1,883
Miscellaneous Income		426		55
		<u>167,503</u>		<u>166,743</u>
Investment Income		703		277
<b>Total Incoming Resources</b>		<u>168,205</u>		<u>167,020</u>
<b>Resources Expended</b>				
<b>Cost of Activities in Furtherance of the Objects</b>				
Box Office Salaries	10,127		9,979	
Theatre Manager Salary	22,467		21,050	
Security Salary	4,935		5,995	
Technician Salary and Contractor's Cost	9,220		7,504	
General Duties Assistant	4,908		3,500	
Cleaner Salary	2,401		3,132	
Water and Sewerage Charges	3,247		1,608	
Insurance	4,737		5,363	
Heat and Light	7,743		4,355	
Repairs and Maintenance	10,501		10,502	
Postage, Stationery and Office Costs	5,557		4,581	
Computing Costs	2,665		5,963	
Equipment Purchased	10,150		2,344	
Bar Purchases	15,767		17,464	
Coffee Bar Purchases	12,643		12,321	
Cleaning	4,044		3,412	
Training	-		24	
Fees, Licences and PRS	407		3,154	
Advertising	20,709		17,729	
Tickets	1,377		1,586	
Infrequent Repairs and Improvements	36,731		2,411	
Car Park Rent	3,432		3,372	
Telephone	2,074		1,905	
Credit Card Fees	(395)		49	
Costume Expenses	-		720	
Subscriptions	173		169	
Sundry & Miscellaneous Expenses	1,682		286	
		<u>197,303</u>		<u>150,477</u>

## LANCASTER FOOTLIGHTS

## DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2012

	2012		2011	
	£	£	£	£
<b>Governance Costs</b>				
Accountancy Charges	1,840		1,751	
Payroll Charges	504		468	
	<u>2,344</u>		<u>2,219</u>	
<b>Total Resources Expended</b>		<u>199,647</u>		<u>152,696</u>
<b>Net Incoming Resources for the Year</b>		(31,442)		14,324
<b>Balance Brought Forward at 1 May 2011</b>		29,417		5,593
<b>Transfer Between Funds - Lancaster Footlights</b>		17,500		17,500
<b>Transfer to Balance Sheet Sinking Fund</b>		(8,000)		(8,000)
		<u>7,475</u>		<u>29,417</u>



## LANCASTER FOOTLIGHTS

## DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2012

**Golden Appeal**

	2012 £	2011 £
<b>Incoming Resources</b>		
<b>Donations and Legacies</b>		
Golden Appeal Covenants	-	2,104
Golden Appeal Tax Refund	3,419	2,877
Donations	-	-
	<u>3,419</u>	<u>4,981</u>
<b>Incoming Resources from Charitable Activities</b>	-	-
	<u>3,419</u>	<u>4,981</u>
<b>Net Incoming Resources for the Year</b>	3,419	4,981
<b>Balance Brought Forward at 1 May 2011</b>	45,617	40,636
<b>Balance Carried Forward at 30 April 2012</b>	<u>49,036</u>	<u>45,617</u>

**Grand Theatre Appeal**

<b>Incoming Resources</b>		
<b>Donations and Legacies</b>		
Appeal Covenants	6,315	6,995
Fundraising	9,195	9,318
Donations	1,210	168
	<u>16,720</u>	<u>16,481</u>
<b>Investment Income</b>	1,838	527
	<u>18,557</u>	<u>17,007</u>
<b>Resources Expended</b>		
Fundraising Expenses	2,082	1,934
<b>Net Incoming Resources for the Year</b>	16,475	15,073
<b>Balance Brought Forward at 1 May 2011</b>	60,387	45,314
<b>Balance Carried Forward at 30 April 2012</b>	<u>76,862</u>	<u>60,387</u>
<b>Total Appeals Balance Carried Forward at 30 April 2012</b>	<u>125,898</u>	<u>106,004</u>

**LANCASTER FOOTLIGHTS  
TRUSTEES' REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 30 APRIL 2013**

**LANCASTER FOOTLIGHTS**

**LEGAL AND ADMINISTRATIVE INFORMATION**

<b>Trustees approving the accounts</b>	Mike Hardy June Akrigg David Slater James Smith Dorothy Walker Sim Lane-Dixon Donna Truman Carl Hayhurst Jenny Dunkeld Greg Robertson Jan Leckey Hilary Begley David Helm	Chairman Secretary Finance Director
<b>Theatre manager</b>	Elaine Singleton	
<b>Secretary</b>	June Akrigg	
<b>Charity Number</b>	509425	
<b>Independent examiner</b>	Charles R Willett of Taylor, Robertson & Willett Limited, Chartered Certified Accountants, 95 King Street Lancaster, Lancashire. LA1 1RH	
<b>Bankers</b>	Yorkshire Bank plc 45 Penny Street Lancaster Lancashire LA1 1UE	
	COIF Charities Deposit Fund St Alphage House Fore Street London	

**LANCASTER FOOTLIGHTS**

**CONTENTS**

	<b>Page</b>
<b>Trustees' report</b>	<b>1 – 6</b>
<b>Independent examiner's report</b>	<b>7</b>
<b>Statement of financial activities</b>	<b>8</b>
<b>Balance sheet</b>	<b>9</b>
<b>Notes to the accounts</b>	<b>10 – 15</b>
<b>Detailed trading and income and expenditure accounts</b>	<b>16 – 19</b>

## **Trustees Report for the year ended 30 April 2013**

The trustees present their report and accounts for the year ended 30 April 2013.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's constitution, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005.

### **Organisation**

#### **Constitution**

Footlights is governed by its constitution which was revised at an EGM in June 2012. Changes to the constitution require approval of a majority of the members present at an Annual General Meeting or an Extraordinary General meeting. In the event of dissolution of Footlights, the property and assets would be disposed of by the Custodian Trustees to the benefit of any educational, literary or artistic institution in the City of Lancaster or its neighbourhood with the approval of the Charity Commissioners provided that such an institution is charitable. The proceeds of disposal would not be paid or distributed to members in any way.

#### **Appointment of Trustees**

The Board (the Trustees) are appointed for a year and their appointment is undertaken annually at the September AGM. Members wishing to seek election or wishing to nominate others can put their names forward for consideration. There is no limit on existing members' service. Ballots are required if there are more nominees than places available. No external body has any power of election of Trustees.

#### **Induction and training of Trustees**

Trustees are briefed on their legal obligations under charity law, the decision-making processes of the Board, the business plan and recent financial performance of the charity.

#### **Organisational Structure and Decision Making**

The Board administers the charity. It meets up to eight times a year and has several sub committees and persons reporting to it. These are:

Production Committee (responsible for selecting and recommending Footlights production titles)

Theatre Buildings Management Committee

Coffee Bars Manager

Costume Management and Hire Manager

Footlights costume co-ordination manager

Membership Manager

Footlights Treasurer

Ad hoc committees can also be formed for specific short-term requirements. Decisions of "last resort", including the financial area and the carrying out of higher supervisory tasks, are made by the Board. The Theatre Manager manages the day-to-day operations of the charity. To facilitate effective operations, the Theatre Manager has delegated authority, within the terms approved by the Board for operational matters including finance, employment and some artistic performance related activities.

#### **Risk management**

The Board has a risk management strategy comprising:

1. An annual review of the risks the charity may face
2. The establishment of systems and procedures to mitigate those risks identified
3. The implementation of procedures and policies designed to minimise any potential impact on the charity should those risks materialise

This assessment has in the past resulted operational improvements including revised emergency procedures, enhanced pre-performance safety checks, improvements to the fire detection system and production of generic risk assessments. Financial risks to the trust are managed by limiting delegations, controls on spending and the policy of maintaining adequate reserves.

#### **Objects and Activities**

The objects of Footlights are to:

1. Promote, maintain, improve, and advance education, particularly by the production of educational plays and the encouragement of the Arts, including the arts of drama, dramatic authorship, mime, dancing, singing, and music

2. Maintain and preserve the Grade II listed building built in 1782 known as the Lancaster Grand Theatre as an ongoing venue for such plays and encouragement of these objects

Footlights mission is to provide a venue for community theatre and thus contribute to the quality of life of the people of Lancaster and its surrounding areas by expanding their horizons through the provision of exciting, challenging and accessible professional and community arts events.

The strategies employed to achieve the charity's objects are to:

1. Offer opportunities for a broad range of people to get involved in arts activity exploring their own creative powers,
2. Provide facilities for amateur (and professional) artists to develop,
3. Concentrate on involving young people in the arts to help encourage a culture in which different age ranges play a complementary part,
4. Present a broad range of arts work.
5. Generate sufficient income to maintain the Lancaster Grand Theatre.

### **Communications to members**

A monthly members' newsletter (Footnote) keeps members informed of Footlights activities and Board meeting decisions. Informal meetings of members take place on Saturday Mornings in the theatre foyer. Total membership fell slightly to 250 (271 in 2011/12) with 33 Friends of the Grand (people who help at the theatre but are not members).

### **Productions by other Amateur Groups**

Four local Musical Societies hired the theatre for a week each and produced a variety of musical shows. One of the local dancing schools hired the theatre for dancing shows involving their pupils. The theatre again hosted another very successful local talent show in conjunction with a local newspaper and Nationwide Building Society. The Grand Rock Out was repeated following its success over the past years as a showcase for local rock bands. Lunchbox Theatre put on The Runaway Apprentice UK Tour.

### **Productions by Professional Companies**

Various professional companies hired the theatre for 66 nights in total. The productions varied in their nature and appeal including ballet, tribute bands, musical shows, and several nationally known comedians. Some of the many visiting acts were Gervaise Phinn, Rich Hall, Jenny Éclair, Julian Clary, Pam Ayres, Al Murray, Sean Locke and John Bishop. Specific childrens' related shows included Jimmy Cricket, The Snail and the Whale, The Gruffalo's Child, Hairy Maclary and The Chuckle Brothers. The wide range of acts programmed is designed to attract different audience types to the theatre with the aim of enticing them into becoming regular theatre-goers.

### **Other uses of the Theatre**

The theatre was hired on several occasions during the night by paranormal societies who set up their equipment to look for the reputed ghost within the theatre.

ITV hired the theatre for three weeks to film the Christmas production of "Panto" starring John Bishop. Many Footlights members were involved either as theatre cast members or as extras in the audience scenes.

### **Contribution of Volunteers**

Footlights members and Friends of the Grand volunteered their time to support Footlights plays and all other performances. They also gave their time towards maintenance and improvement of the theatre building and providing the additional service of costume hire.

### **Staff**

In addition to a full time Theatre Manager, the theatre continues to employ the following on a part time basis: two duty managers, four box office assistants, a handyman, a cleaner and a technician.



**PERFORMANCE INFORMATION****Audience Figures**

The total audience numbers covering productions increased by just over 2000 to 37,697. Footlights average capacity fell slightly, balanced by a similar small increase in the average capacity of professional lets. Internet bookings increased for the professional lets with internet bookings falling for both Footlights and Community performances as some local customers are now checking the web site for seat availability and then booking over the telephone to avoid the internet charge. (This covers Paypal costs, credit card charge and booking system internet hosting charges).

Organisation	Performances 2012/13	Performances 2011/12	Seats sold 2012/13	Seats sold 2011/12
Footlights	43	38	9,746	9,814
Musical Societies and Community Groups	36	41	10,427	11,311
Professional acts	66	56	17,524	14,250
<b>Total</b>	<b>145</b>	<b>135</b>	<b>37,697</b>	<b>35,375</b>

Organisation	Internet bookings 2012/13	Internet bookings 2011/12
Footlights	14%	32%
Musical Societies and Community Groups	19%	27%
Professional acts	42%	40%

Average capacities were as follows:

	2012/13	2011/12
Footlights	54%	56
Musical Societies and Community groups	63%	60
Professional lets	58%	55

**Production of plays**

During the financial year, Footlights presented the following productions in the main theatre:

Calendar Girls	Tim Firth
Dick Whittington Pantomime	Tom Walker
When we are Married	J B Priestley
History Boys	Alan Bennett

In addition, "Act One Summer School" was again run for a week in August culminating in a very well received performance of Joseph and the Amazing Technicolour Dreamcoat

**Studio Footlights**

Studio Footlights was set up as an additional string to the Footlights bow to complement the mainstream Footlights productions at the Grand. It offers Footlights members the opportunity to put on plays that are better suited to the informal, intimate setting of a studio theatre whilst retaining the high quality support already established at the Grand Theatre. The first production was The Pillowman by Martin Mc Donagh, presented at the Gregson Community Centre last year. This year's Production moved to the Storey Institute in Lancaster with the performance of "Iron" by Rona Munro which was very successful and played to full houses.

## FINANCIAL PERFORMANCE

### Overall Trading results

Following last year's underlying trading surplus of £24K, this year produced a significantly lower underlying surplus of £7K after expenditure of £34K on infrequent repairs, improvements and equipment and the "once off" income of the theatre of the ITV hire of £9K have been taken into account. This reduction in operating surplus was due to a significant increase in costs of £25K made up as follows:

• increased salaries	£11K
• increased advertising costs	£11K
• increased Lune store rental cost	£1.5K
• increased heating and lighting cost	<u>£1.5K</u>
	£25K

### Income

Whilst Footlights total income was £9.5K up on the previous year, when the once off income of £9K from ITV renting the theatre to produce John Bishop's "Panto", is taken into account, the underlying income was virtually the same as the previous year. In the current climate, it is considered that this represents a good result when compared to the problems being encountered by many other theatres. Next year, support business income will fall by £8K due to changes in the bar management arrangements (see the section on Support Businesses).

### Infrequent Repairs and Improvements and Equipment

Last year's surplus was used by transfer of funds from the balance sheet to upgrade the stage lighting and the sound systems and for building improvement as listed below:

1. LED stage lighting	£9070
2. Modification of electrics	£2397
3. Retiling of the foyer toilet floors	£4271
4. Upgrading of Dressing room 4 and under the stage toilet	£1481
5. Modification of Dressing room 4 electrics and installation of five new hand driers in the main theatre toilets	£1981
6. Upgrade of the fire doors on Dressing room 5 and the main electricity incomer room (Fire Brigade Safety inspection advice)	£1014
7. Provision of new stage monitor speakers	£4194
8. Purchase of a spare a lighting desk as a strategic spare	£4013
9. Replacement of all flying ropes	£1177
10. Upgrade of the theatre computer system to improve reliability and meet Credit Card compliance requirements	<u>£4279</u>
	£33877

### Support Businesses - bar, coffee bars and costume hire

The support businesses produced a net income of £20K (£2K down on last year). It was made up as follows:

Bar	£9.4K (2012: £10.9K)
Coffee bars	£7K (2012: £7.7K)
Costume Hire	<u>£3.8K</u> (2012: £3.8K)
	£20.2K

Bar profits were down slightly on the previous year attributable mainly to the changes surrounding the retirement of the volunteer bar managers in January. In the absence of any volunteers willing to take over, the management of the bar was handed over to a third party on a profit share basis resulting in a predicted reduction in bar income next year of £8K.

Coffee bar profit was slightly down on the previous year with Costume Hire profit staying the same at £3.8K as regular Saturday morning openings continued.

**Advertising Costs**

A total of £31.6K (£20.7K in 2011/12) was spent on advertising and marketing. The advertising costs were made up as follows:

	2011/12	2012/13
Newspaper advertising	£6590	
Bay radio		£11037
Production and distribution of two "What's on" brochures*	£8807	£9439
External Posters	£2830	£2900
Miscellaneous	<u>£2482</u>	<u>£8265</u>
	£20709	£31642

\* Brochure costs comprised £4325 printing and £5114 distribution.

As part of the drive to reinforce the "branding" of the Grand Theatre, it was decided that advertising on Bay Radio would replace newspaper advertising. The advertising on Bay Radio has produced a small increase in audience numbers and definitely increased the theatre profile, but the increase in sales does not cover the additional cost and it has been decided not to renew the contract when it expires in December 2013. For the future, it is considered that the public awareness of the theatre and its profile should allow reduced marketing expenditure, relying mainly on the theatre web site and the brochure supported by some directed marketing.

**Reserves Policy**

To cover emergencies and single year operational shortfalls, Footlights policy is to hold a minimum operational reserve of £20K. At the end of the financial year the operating reserve was £36K, which will reduce slightly following limited expenditure on infrequent repairs and operational improvements 2013/14.

**Asset cover for funds**

Note 12 sets out an analysis of the assets attributable to the various funds and a description of the trusts. These assets are sufficient to meet the charity's obligations on a fund-by-fund basis.

**FUND RAISING****a) Donations and legacies**

There were no legacies and any donations were put towards the new spaces appeal.

**b) New Spaces Appeal**

Fund raising has continued and the total raised by 30<sup>th</sup> April 2013 stood at £143K (£125.9K 2011/12). Fund raising continues towards the required £850K required to build the foyer.

**TRUSTEES****Charity Trustees**

The Board Members are the Trustees. Their names at the time of approval of the accounts are listed under legal and administrative information.

**Custodian Trustees**

Their function within the Constitution is to hold in trust the Grand Theatre buildings on behalf of Footlights. They are:

David Bateman	-	Retired Teacher
David Hardy	-	Solicitor
Mike Hardy	-	Retired Director
Sim Lane Dixon	-	Highways manager

**Planned work for 2013/14**

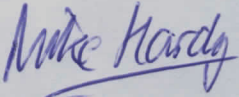
1. Relocation of the sound and lighting desks from the circle to the rear of the stalls.
2. Replacement of the onto stage loading doors

**Next Year's Priorities**

This year has seen income remaining static and costs rising significantly, with the possibility of a loss next year due to reduced bar income if costs are not reduced. Consequently there are five key actions for next year:

1. Reduce costs in the following areas:
  - marketing,
  - office and administration costs
  - maintenance
  - electricity use
2. Continue to raise the funds £850K required to build the new foyer.
3. Continue to expand the use of the theatre by community groups and look for increased day use by organisations.
4. Build on the success of the Studio Footlights to improve the range of productions available both to Footlights actors and to the general public.
5. Continue the drive to attract new, younger members to ensure continuity in the long term.

Signed by the Chairman on behalf of the Trustees



Mike Hardy

Dated 16<sup>th</sup> July 2013

**LANCASTER FOOTLIGHTS**

**INDEPENDENT EXAMINER'S REPORT**

**TO THE TRUSTEES OF LANCASTER FOOTLIGHTS**

I report on the accounts of Lancaster Footlights for the year ended 30 April 2013, which are set out on pages 8 to 19.

**Respective responsibilities of trustees and examiner**

As the charity's trustees, you are responsible for the preparation of the accounts; you consider that the audit requirement of section 43(2) of the Charities Act 1993 (the Act) does not apply. It is my responsibility to state, on the basis of procedures specified in the General Directions given by the Charity Commissioners under section 43(7)(b) of the Act, whether particular matters have come to my attention.

**Basis of independent examiner's report**

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanation from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
  - (i) to keep accounting records in accordance with section 41 of the Act; and
  - (ii) to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Act;have not been met; or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Charles R Willett of  
Taylor, Robertson & Willett Limited  
Chartered Certified Accountants  
95 King Street  
Lancaster  
Lancashire  
LA1 1RH

1<sup>st</sup> August 2013

## LANCASTER FOOTLIGHTS

## STATEMENT OF FINANCIAL ACTIVITIES

## FOR THE YEAR ENDED 30 APRIL 2013

	Notes	Lancaster Footlights £	Grand Theatre £	Appeals & Legacy £	Total 2013 £	Total 2012 £
<b>Incoming Resources from Generated Funds</b>						
Donations, Legacies and Grants	2	-	-	6,649	6,649	10,943
Investment Income	4	-	1,135	3,273	4,407	2,541
		-	1,135	9,922	11,057	13,484
Incoming Resources from Charitable Activities	3	81,991	174,892	6,280	263,164	257,557
<b>Total Incoming Resources</b>		<b>81,991</b>	<b>176,027</b>	<b>16,202</b>	<b>274,221</b>	<b>271,041</b>
<b>Resources Expended</b>						
Cost of Activities in Furtherance of the Objects		55,190	215,842	2,000	273,031	248,218
Governance Costs		2,108	3,538	-	5,646	4,320
<b>Total Resources Expended</b>		<b>57,298</b>	<b>219,380</b>	<b>2,000</b>	<b>278,677</b>	<b>252,538</b>
<b>Net Incoming Resources/(Deficit) Before Transfers</b>		<b>24,694</b>	<b>(43,353)</b>	<b>14,202</b>	<b>(4,457)</b>	<b>18,503</b>
Transfer to Balance Sheet Sinking Fund		-	-	-	-	(8,000)
<b>Net Income for the Year/Net Incoming Resources</b>		<b>24,694</b>	<b>(43,353)</b>	<b>14,202</b>	<b>(4,457)</b>	<b>10,503</b>
Transfer between funds		(29,301)	37,700	(399)	8,000	-
Fund Balance at 1 May 2012		22,189	7,476	125,898	155,563	145,060
<b>Fund balances at 30 April 2013</b>		<b>17,582</b>	<b>1,823</b>	<b>139,701</b>	<b>159,106</b>	<b>155,563</b>



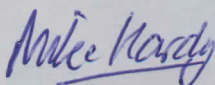
## LANCASTER FOOTLIGHTS

## BALANCE SHEET

AS AT 30 APRIL 2013

	Notes	2013 £	2012 £
<b>Fixed Assets</b>			
Tangible Assets	8	224,500	229,000
<b>Current Assets</b>			
Stocks		795	1,960
Debtors	9	7,502	7,670
Cash at Bank and in Hand		233,755	255,628
		<u>242,052</u>	<u>265,258</u>
<b>Creditors: Amounts Falling Due Within One Year</b>	10	<u>(66,601)</u>	<u>(85,350)</u>
		175,451	179,908
		<u><u>399,951</u></u>	<u><u>408,908</u></u>
<b>Income Funds</b>			
Unrestricted Funds:			
Revaluation Reserve	11	224,845	229,345
Sinking Fund	11	16,000	24,000
Designated Funds - Other Charitable Funds:			
Lancaster Footlights	11	17,582	22,190
Grand Theatre General Fund	11	1,823	7,476
Grand Golden and Theatre Appeals	11	139,701	125,897
		<u><u>399,951</u></u>	<u><u>408,908</u></u>

The Accounts were approved by the Trustees on 16th July 2013


Mike Hardy  
(Chairman)

# LANCASTER FOOTLIGHTS

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 30 APRIL 2013

#### 1 Accounting policies

##### 1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Charities Act 1993.

##### 1.2 Incoming resources

Activities Income.

Activities income consists of ticket sales, letting, and all other similar income associated with the running of an amateur dramatic organisation and its associated Theatre premises. Income is accounted for on an accruals basis.

Donations and Voluntary Income.

Grants and donations are received from a variety of private sources, are accounted for gross when receivable, and are credited to the accounting period in which the donation or grant is received.

Gifts received in kind, where they are capable of financial measurement are included in the accounts at their estimated valuation.

##### 1.3 Resources expended

All expenditure is accounted for as and when incurred.

Direct Charitable expenditure includes the direct costs of carrying out the activities of the charity's objectives.

##### 1.4 Tangible fixed assets and depreciation

The only fixed asset is the Freehold Property known as the Grand Theatre. Major expenditure on the fabric of the building is dealt with through the Sinking Fund, a fund Designated by the Trustees. The building is subject to periodic revaluations.

Depreciation is provided for to comply with current accounting standard and FRS15 as detailed below.

All other assets (e.g. Equipment) are written off fully in the year of purchase as they have little, if any, residual value. However items of equipment which are essentially refurbishment expenditure are dealt with through the Income and Expenditure account, and the Balance Sheet Sinking Fund.

Freehold land is not depreciated

Freehold buildings

50 years straight line

##### 1.5 Stock

Stocks are valued at the lower of cost or net realisable value.

##### 1.6 Renovation and Refurbishment

In order to maintain the fabric of the Grand Theatre, Lancaster, substantial sums are required. The building is Grade II listed. There are also plans to construct a new foyer on the side of the Theatre to reduce congestion. Lancaster Footlights has previously established the Grand Golden appeal and the Grand Theatre appeal to raise the necessary funds, and these continue to attract donations. The balance of these funds as at 30 April 2013 stands at £139,701 (2012 - £125,898) which reflects the balance of monies held in the specific designated bank accounts.

## LANCASTER FOOTLIGHTS

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

## 2 Donations and Legacies

	Grand Theatre £	Theatre Appeals £	Total 2013 £	Total 2012 £
Legacy	-	-	-	-
Seat Sponsors and Donations	-	-	-	1,210
Covenants	-	6,649	<b>6,649</b>	6,315
Tax Refunds	-	-	-	3,419
	<u>-</u>	<u>6,649</u>	<u><b>6,649</b></u>	<u>10,944</u>

## 3 Incoming Resources from Charitable Activities

	Lancaster Footlights £	Grand Theatre £	Theatre Appeals £	Total 2013 £	Total 2012 £
Season Tickets	728	-	-	<b>728</b>	700
Tickets	74,243	-	-	<b>74,243</b>	72,754
Programme Sales	1,781	-	-	<b>1,781</b>	1,795
Lancaster Footlights Coffee Bar Income	1,103	-	-	<b>1,103</b>	1,250
Merchandising and Sundry Income	1,998	527	-	<b>2,525</b>	2,216
Members Subscriptions	2,138	-	-	<b>2,138</b>	2,571
Fund Raising Activities	-	-	6,280	<b>6,280</b>	9,195
John Bishop's Show - Net	-	8,958	-	<b>8,958</b>	-
Use of Theatre	-	81,023	-	<b>81,023</b>	82,269
Lancaster Footlights	-	24,000	-	<b>24,000</b>	24,000
Theatre Tours	-	515	-	<b>515</b>	312
Bar Receipts	-	23,635	-	<b>23,635</b>	26,760
Catering Receipts	-	20,814	-	<b>20,814</b>	20,347
Costume Hire	-	3,974	-	<b>3,974</b>	3,819
Equipment, Scenery and Props Hire	-	6,522	-	<b>6,522</b>	3,329
Car Park Income	-	950	-	<b>950</b>	1,210
Advertising Income	-	3,975	-	<b>3,975</b>	5,030
	<u>81,991</u>	<u>174,892</u>	<u>6,280</u>	<u><b>263,164</b></u>	<u>257,557</u>

## LANCASTER FOOTLIGHTS

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

## 4 Investment Income

	Grand Theatre £	Theatre Appeals £	<b>Total 2013 £</b>	Total 2012 £
Interest Receivable	<u>1,135</u>	<u>3,273</u>	<u><b>4,407</b></u>	<u>2,541</u>

## 5 Total Resources Expended

	Lancaster Footlights £	Grand Theatre £	Theatre Appeals £	<b>Total 2013 £</b>	Total 2012 £
Costs of Activities in Furtherance of the Objects	55,190	215,842	2,000	<b>273,031</b>	248,218
Governance Costs	<u>2,108</u>	<u>3,538</u>	<u>-</u>	<u><b>5,646</b></u>	<u>4,320</u>
	<u><b>57,298</b></u>	<u><b>219,380</b></u>	<u><b>2,000</b></u>	<u><b>278,677</b></u>	<u><b>252,538</b></u>

## 6 Trustees

No Trustee or member of the Management Committees apart from Mr D Slater in his capacity of Treasurer received any remuneration either directly or indirectly during the year.

No Trustee or Member of the Management Committees received any expenses during the year, except in relation to reimbursement of costs necessarily incurred in relation to the charity's activities.

**LANCASTER FOOTLIGHTS****NOTES TO THE ACCOUNTS (CONTINUED)****FOR THE YEAR ENDED 30 APRIL 2013****7 Employees****Number of Employees**

The average monthly number of employees during the year was:

	<b>2013 Number</b>	<b>2012 Number</b>
Theatre Staff (including part time)	<b>12</b>	<b>11</b>

**Employment Costs**

	<b>2013 £</b>	<b>2012 £</b>
Wages and Salaries	<b>66,308</b>	<b>54,059</b>

There were no employees whose annual emoluments were £60,000 or more.

**8 Tangible Fixed Assets**

	<b>Land &amp; Buildings £</b>
<b>Valuation</b>	
<b>At 1 May 2012 and at 30 April 2013</b>	<b>265,000</b>
<b>Depreciation</b>	
At 1 May 2012	36,000
Charge for the Year	4,500
<b>At 30 April 2012</b>	<b>40,500</b>
<b>Net Book Value</b>	
At 30 April 2013	<b>224,500</b>
At 30 April 2011	<b>229,000</b>

The Grand Theatre was revalued on 13 October 2003 by Peill & Company, Chartered Surveyors.

The valuation of £265,000 was based, at that time, on market value.

The Trustees are not aware of any material change since the valuation in 2003.

The original cost of the Grand Theatre was £7,000.

Depreciation relating to the Theatre is charged against the Revaluation Reserve.

## LANCASTER FOOTLIGHTS

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

**9 Debtors**

	2013 £	2012 £
Trade Debtors	-	500
Prepayments	7,502	7,170
	<b>7,502</b>	<b>7,670</b>

**10 Creditors: Amounts Falling Due Within One Year**

	2013 £	2012 £
Trade Creditors	5,081	-
Taxes and Social Security Costs	1,277	789
Monies Received in Advance	350	290
Deferred Income	56,723	80,838
Accruals	3,170	3,433
	<b>66,601</b>	<b>85,350</b>

**11 Designated Funds - Other Charitable Funds**

	Balance at 1 May 2012	Incoming resources	Resources expended	Transfers	Balance at 30 April 2013
	£	£	£	£	£
Lancaster Footlights Fund	22,190	81,991	(57,298)	(29,301)	17,582
Grand Theatre General Fund	7,476	176,027	(219,380)	37,700	1,823
Grand Golden and Theatre Appeals	125,898	16,202	(2,000)	(399)	139,701
	<b>155,564</b>	<b>274,221</b>	<b>(278,677)</b>	<b>8,000</b>	<b>159,106</b>

**Theatre Revaluation Reserve**

This fund merely records the ongoing surpluses, or deficits, on the periodic revaluation of the Grand Theatre. It cannot be utilised for any other purpose.

The Grand Theatre was purchased for £7,000 on 8 January 1951. The asset value of the Theatre had reduced, by depreciation, to £2,655 by 1981, after which time depreciation was charged. The revaluation in 1988 to £175,000 provided a revaluation Reserve balance of £172,345. The revaluation in 2003, from £172,000 to £265,000 added a further £93,000 to the Reserve, making a total Revaluation Reserve of £265,345. This reserve has been reduced by £36,000 to £224,845 due to depreciation charge in the current and previous years.

**Theatre Sinking Fund**

This fund has been established in order to provide a designated reserve for long term maintenance of the Theatre. A balance of £16,000 (2012 - £24,000) has been designated by the Trustees in the year against expected future costs.



**LANCASTER FOOTLIGHTS****NOTES TO THE ACCOUNTS (CONTINUED)****FOR THE YEAR ENDED 30 APRIL 2013****12 Analysis of Net Assets Between Funds**

	Other Charitable Funds £	Theatre Sinking Fund £	Theatre Revaluation Reserve £	Total £
Fund Balances at 30 April 2013 are Represented by:				
Tangible Fixed Assets	-	-	224,500	<b>224,500</b>
Current Assets	225,707	16,000	345	<b>242,052</b>
Creditors: Amounts Falling Due Within One Year	(66,601)	-	-	<b>(66,601)</b>
	<u>159,106</u>	<u>16,000</u>	<u>224,845</u>	<u><b>399,951</b></u>

**13 Contingent Liabilities**

There were no Contingent Liabilities as at 30 April 2013 or 30 April 2012.

**14 Commitments Under Operating Leases**

At 30 April 2013 the company had annual commitments under non-cancellable operating leases as follows:

	<b>Land &amp; Buildings</b>	
	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Expiry date:		
Within one year	<b>3,186</b>	4,248
Between two and five years	<u>-</u>	<u>3,186</u>

Lancaster Footlights has a rental commitment over a storage unit. The annual charge payable which includes rent, insurance and service charge on this unit is £4,248 (2012 £4,248). The licence has been re-negotiated to allow sub letting of the premises and accordingly, but at this time there is no-one sub letting the unit. The current lease expires on 31st January 2014.

**15 Capital Commitments**

There were no Capital Commitments as at 30 April 2013 or 30 April 2012.

**16 Taxation**

As a charity, Lancaster Footlights is exempt from tax on income and gains falling with Section 505 of the Taxes Act 1988, or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

**LANCASTER FOOTLIGHTS****DETAILED INCOME AND EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 30 APRIL 2013****Lancaster Footlights**

	<b>2013</b>		<b>2012</b>	
	£	£	£	£
<b>Incoming Resources</b>				
<b>Incoming Resources from charitable activities</b>				
Season Tickets		<b>728</b>		700
Tickets		<b>74,243</b>		72,754
Programmes Sales		<b>1,781</b>		1,795
Lancaster Footlights Coffee Bar Income		<b>1,103</b>		1,250
Merchandising and Sundry Income		<b>1,998</b>		1,790
Members Subscriptions		<b>2,138</b>		2,571
		<b>81,991</b>		<b>80,860</b>
<b>Resources Expended</b>				
<b>Cost of Activities in Furtherance of the Charity's Objects</b>				
Notional Rent	<b>24,000</b>		24,000	
Postage and Stationery	<b>701</b>		307	
Production Expenses	<b>22,640</b>		17,765	
Production Publicity	<b>2,395</b>		3,178	
Rent of Unit	<b>4,375</b>		2,810	
Rent of Rehearsal Room	<b>105</b>		37	
Rented Unit Water Rates and Insurance	<b>386</b>		61	
PRS	<b>587</b>		676	
	<b>55,190</b>		<b>48,834</b>	
<b>Governance Costs</b>				
Accountancy	<b>950</b>		900	
Sundry Expenses	<b>608</b>		276	
Credit Card Fees	<b>550</b>		800	
	<b>2,108</b>		<b>1,976</b>	
<b>Total Resources Expended</b>		<b>57,298</b>		<b>50,810</b>
<b>Net Incoming Resources for the Year</b>		<b>24,694</b>		<b>30,050</b>
<b>Balance Brought Forward at 1 May 2012</b>		<b>22,189</b>		<b>9,639</b>
<b>Transfer Between Funds - Grand Theatre</b>		<b>(29,301)</b>		<b>(17,500)</b>
<b>Balance Carried Forward at 30 April 2013</b>		<b>17,582</b>		<b>22,189</b>

## LANCASTER FOOTLIGHTS

## DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2013

**Grand Theatre**

	2013		2012	
	£	£	£	£
<b>Incoming Resources</b>				
<b>Incoming Resources from Charitable Activities</b>				
Musical Society and Community Group Lets		29,587		20,700
Professional Lets		51,436		61,569
John Bishop's Show - Net income		8,958		-
Car Park Income		950		1,210
Advertising Income		3,975		5,030
Lancaster Footlights Rent		24,000		24,000
Equipment, Scenery and Props Hire		6,522		3,329
Theatre Tours		515		312
Bar Receipts		23,635		26,760
Coffee Bar Receipts		20,814		20,347
Costume Hire		3,974		3,819
Miscellaneous Income		527		426
		<b>174,892</b>		<b>167,502</b>
Investment Income		1,135		703
<b>Total Incoming Resources</b>		<b>176,027</b>		<b>168,205</b>
<b>Resources Expended</b>				
<b>Cost of Activities in Furtherance of the Objects</b>				
Box Office Salaries	10,820		10,127	
Theatre Manager Salary	30,827		22,467	
Security Salary	5,644		4,935	
Technician Costs	11,446		9,220	
General Duties Assistant	3,708		4,908	
Cleaner Salary	2,863		2,401	
Water and Sewerage Charges	1,415		3,247	
Insurance	4,645		4,737	
Heat and Light	9,297		7,743	
Repairs and Maintenance	13,818		10,501	
Postage, Stationery and Office Costs	10,765		5,557	
Computing Costs	4,277		2,665	
Equipment Purchased	10,392		10,150	
Bar Purchases	15,303		15,767	
Coffee Bar Purchases	13,790		12,643	
Cleaning	4,054		4,044	
Training	774		-	
Fees, Licences and PRS	2,084		407	
Advertising	31,642		20,709	
Tickets	1,020		1,377	
Infrequent Repairs and Improvements	22,403		36,731	
Car Park Rent	3,142		3,432	
Telephone	2,047		2,074	
Credit Card Fees	(921)		(395)	
Costume Expenses	154		-	
Subscriptions	181		173	
Sundry & Miscellaneous Expenses	251		882	
	<b>215,842</b>		<b>196,502</b>	

## LANCASTER FOOTLIGHTS

## DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2013

	2013		2012	
	£	£	£	£
<b>Governance Costs</b>				
Accountancy Charges	2,010		1,840	
Treasurer's honorarium	1,000		800	
Payroll Charges	528		504	
	<u>3,538</u>		<u>3,144</u>	
<b>Total Resources Expended</b>		<u>219,380</u>		<u>199,646</u>
<b>Net Incoming Resources for the Year</b>		(43,353)		(31,442)
<b>Balance Brought Forward at 1 May 2012</b>		7,475		29,417
<b>Transfer Between Funds - Lancaster Footlights</b>		29,700		17,500
<b>Transfer from/(to) Balance Sheet Sinking Fund</b>		8,000		(8,000)
		<u>1,822</u>		<u>7,475</u>

## LANCASTER FOOTLIGHTS

## DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2013

**Golden Appeal**

	2013 £	2012 £
<b>Incoming Resources</b>		
<b>Donations and Legacies</b>		
Golden Appeal Covenants	-	-
Golden Appeal Tax Refund	-	3,419
Donations	-	-
	<hr/>	<hr/>
	-	3,419
<b>Incoming Resources from Charitable Activities</b>	-	-
	<hr/>	<hr/>
	-	3,419
<b>Net Incoming Resources for the Year</b>	-	3,419
<b>Balance Brought Forward at 1 May 2012</b>	49,036	45,617
<b>Balance Carried Forward at 30 April 2013</b>	<hr/> <hr/> 49,036	<hr/> <hr/> 49,036

**Grand Theatre Appeal**

<b>Incoming Resources</b>		
<b>Donations and Legacies</b>		
Appeal Covenants	6,649	6,314
Fundraising	6,280	9,195
Donations		1,210
	<hr/>	<hr/>
	12,929	16,719
<b>Investment Income</b>	3,273	1,838
	<hr/>	<hr/>
	16,202	18,557
<b>Resources Expended</b>		
Fundraising Expenses	2,000	2,082
	<hr/>	<hr/>
<b>Net Incoming Resources for the Year</b>	14,202	16,475
<b>Balance Brought Forward at 1 May 2012</b>	76,862	60,387
<b>Transfer Between Funds</b>	(399)	-
	<hr/>	<hr/>
<b>Balance Carried Forward at 30 April 2013</b>	<hr/> <hr/> 90,665	<hr/> <hr/> 76,862
<b>Total Appeals Balance Carried Forward at 30 April 2013</b>	<hr/> <hr/> 139,701	<hr/> <hr/> 125,898

*The Future of Arts Provision in Lancaster: Development of the Dukes and Ludus Dance*

APPENDICES

- A. Lancaster Competitive Provision
- B. Consultees
- C. Terms of Reference

November 2013

**Bonnar Keenlyside**



APPENDIX A: Lancaster Competitive Provision

Location	Venue / organisation	Facilities	Capacity	Price	Programme	Drive Time from Lancaster
DANCE						
Dance Schools						
Lancaster	Ludus Dance	Assembly Rooms in Lancaster. Rentable studio and 2D Gallery		£3.50 - £6.25. Flashmob and Ludicrous Street Crew £60 per term	Street dance, ballet, stage dance, contemporary. Classes for 0-4, 5-11, 12-17 and 18+	
Carnforth, Milnthorpe and Kendal	Jennifer's Dancers	Dallam Dance Studio has sprung floors, ballet barres, full length mirrors and a music system		£3.50 - £4.50 Dallam Dance Studio hire fee £18 p/h	Street dance, hip hop, pop, breakdance, popping and locking and tutting 16 classes Monday - Friday with Saturday availability for hire for parties Dancers available for hire for children's birthday parties / choreograph and teach a first wedding dance Aerobic, ballet, tap, jazz, stage dance, Irish dance, ballroom, boys only, adult keep fit and tap, wedding first dance, yoga, pilates and zumba, 60+	Up to 22.7 miles, 33 minute drive time
Bolton-le-Sands	Alysia Gilda School of Dance	Classes held in Catholic Hall		£4.50 average price per class	Ballet, cheerleading, street, jazz, freestyle/disco, gymnastics, tap, musical theatre and tiny tots Produces a show performance every two years	5 miles, 13 minute drive time
Morecambe	The Dance Factory	Purpose built dance studio with stereo system, twin tiered ballet barres, mirrors and changing room Instructs to the International Dance Teachers' Association (IDTA) dance syllabus				4.8 miles, 16 minute drive time
Hornby, Caton and Morecambe	JB School of Dance	Classes held 3 evenings a week at 3 locations				
Lancaster, Blackburn and Preston	Heather Burns Dance School	Lancaster classes held in Trinity Community Centre		£55 per 10 week term Private lessons available on a Saturday. Fees agreed individually	Ballet, tap, hip hop, street, funky, jazz, musical theatre, zumba Performance shows every two years Lancaster: Ballet, modern, tap, new musical theatre	Up to 9.2 miles, 19 minute drive time Up to 25.3 miles, 31 minute drive time
Milnthorpe	Rigney Bank Ballet School, Milnthorpe	Two dance studios, reception area and basement changing area. Held in a 17th century tower house			Ballet, modern, tap, acrobatics, jazz, limbering, voice coaching, examinations. Adult classes in tap, ballet and dance fitness	14.5 miles, 24 minute drive time
Morecambe	Robinson Read School, Morecambe				Ballet, tap, jazz, modern and acrobatics. Coaching and technical private lessons available	4.8 miles, 16 minute drive time
Carnforth	Taylor School of Dance & Theatre Arts, Carnforth	Two dance studios with central heating, dressing room and shop. ISTD registered		From £3.50. Weekly fee pack - £30 for unlimited classes	Ballet, modern, tap, drama, musical theatre, adult jazz, street, cabaret, acrobatics	6.9 miles, 18 minute drive time
Lancaster	Turning Point Theatre Arts	Located in Lancaster Leisure Park in Studio 2 and gym/treatment room		From £3.50 with free taster sessions Private tuition and multi-class discounts available	Ballet, modern, jazz, tap, pop, freestyle, street, circus skills, acrobatics, boys only, toddler and tone, burlesque, zumba, fitness, gym ball, drama, voice production, singing, guitar, keyboard, music theory Offer dance-based birthday parties	

The Future of Arts Provision in Lancaster: The Development of the Dukes and Ludus Dance: Appendices

Location	Venue / organisation	Facilities	Capacity	Price	Programme	Drive Time from Lancaster
Student Union Dance Societies	Lancaster	Classes held at LICA with a professional teacher		£5 membership fee. £4 per class. Fitness / flexibility classes £1.50	Ballet, fitness and flexibility for beginners - advanced	
	Lancaster University Ballroom Dancing Society	Classes held in County South Lecture Theatre		£5 membership fee. £3 for a two hour class	Ballroom, Latin American and salsa	
	University Belly Dancing Society	Classes held in County South Lecture Theatre		£5 membership fee. £3 per class	Arabic and Egyptian belly dancing	
	Lancaster Roses Cheerleading Squad	Classes held in County South Lecture Theatre and The Sugarhouse		Participation through try-outs	Cheerleading in an all girl squad, co-ed squad or dance squad	
	LUDans, Lancaster University Dance Society	Classes held in Barker House Farm (Cartmel College) and Playroom in the Great Hall Complex, university		£10 membership fee. £1 per class	Ballet, jazz, tap, contemporary, fitness and street	
	Hiphop N Breakdance, Lancaster University	Classes held in the Playroom in the Great Hall Complex, university campus			Hip hop, street, breakdance, stunts, krumping, popping and locking	
	Lancaster University Pole Dance Fitness Society			£5 membership fee	Pole fitness	
CINEMA	Lancaster University Swing Dance Society	Classes held in the Great Hall, university campus			Swing dancing	
					Free lindy hop classes once a week and free dance socials at	
	Lancaster	Shared screen	330 seats in rake	Adult £6, conc. £4 - £5	Blockbusters, documentary cinema, Performance screenings - NT Encore, art house and independent	
	The Dukes			Peak £6.25 - £8.30 / Off-peak £5.30 - £7.05	Blockbusters, family entertainment, Performance screenings - NT Live, The Met Opera & The Royal Opera House Live, Concert Films, Autism friendly films, first releases, 3D	
	The VUE	6 screens. Available to hire for conferences with catering, parking, satellite and digital projector	1574 seats	Promotional offer - Kids AM, Family savings, Orange Wednesday, Seniors, Super Tuesdays		
	Morecambe			Adults £7.20, conc. £5.35 - £6.10, 3D Adults £9.35, conc. £6.95 - £7.85	Blockbusters, Performance screenings - The Royal Opera House, RSC, The Best of Keane, family entertainment, first releases, 3D	4.8 miles, 16 minute drive time
	The Reel	4 screens with digital sound				
Lancaster				Adults £3, purple card holder £2, under 16 £1.50, under 7 free, 5 film pass £8	Blockbusters, recent releases, classics, documentary	
	Lancaster University	1 screen with projector and 3D capabilities, refreshment kiosk			Films are shown Thurs - Mon during term time	
					Blockbusters, family entertainment, world, arthouse and independent, 3D, first releases and classic film screenings	22.7 miles, 33 minute drive time
Kendal	The Brewery Arts Centre	2 screens (theatre that doubles as a third cinema screen for half the year)	550 seats	Adults £7, conc. £5 - £6		

## The Future of Arts Provision in Lancaster: The Development of the Dukes and Ludus Dance: Appendices

Location ARTS CENTRE	Venue / organisation	Facilities	Capacity	Price	Programme	Drive Time from Lancaster
Lancaster	The Storey	Purpose-designed centre for the creative industries Office space available for rent The Auditorium has projector, screen, sound system and theatrical lighting available for hire. Sound and lighting technician available at additional fee Music Room , Reading Room and Drawing room has laptop, projector and screen available for hire Lecture Theatre has projector, screen, laptop and sound system available for hire	The Auditorium - 80 seats Music Room - 120 seats Lecture Theatre - 75 seats The Reading Room - 30 seats	The Gallery - hire £250 Auditorium hire from £35 p/h Music hire from £25 p/h Lecture Theatre hire from £25 p/h The Reading Room hire from £20 p/h The Drawing Room hire from £10 p/h	Literary performances, workshops and art exhibitions  Current exhibitions and art events include 'The Beauty in Science', evening talks from Lancaster University and 'Saturday Life-drawing Participants of Lancaster Music Festival', Lancaster Literature Festival and OXIAM  Dance, theatre, exhibitions, music, public performances by students, societies and communities  Dance mid-Oct - July 2014: 2 shows, 2 performances (Canadian-born choreographer Laila Diallo and a double bill from Company Theatre mid Oct - July 2014: 6 shows, 11 performances (Tim Crouch's 'I, Malvolio' and Zoo Indigo's double bill of 'Blueprint' and Music mid Oct - July 2014: 12 shows, 12 performances with a focus on classical and jazz	
Lancaster	Live at LICA (Lancaster institution for Contemporary Arts)	The Nuffield Theatre, Lancaster International Concert Series and the Peter Scott Gallery at Lancaster University are joined to create LICA Black-box theatre	Nuffield Theatre 220 seats			
Kendal	The Brewery Arts Centre	Raked theatre, cinema, exhibition space, café/bar Sugar Store is main exhibition space but exhibitions also held in The Warehouse, Into Bar and Grizedale Forest The Malt Room is a flexible venue available for hire 1 shared cinema screen and 2 dedicated screens	Theatre - 260 seats  The Malt Room 175 - 330 seats Cinema - 550 seats	Exhibitions are free  Cinema £5 - £7	Theatre, music, cinema, dance, exhibitions	22.7 miles, 33 minute drive time
Within 30 minute drive time						
Out with 30 minute drive time						

## APPENDIX B: Consultees

The Dukes and Ludus: Participants November 2013			
Organisation	Role	Name	Interviewed
Key stakeholders			
Lancashire County Council	Arts Development Officer	Heather Fox	✓
Lancashire County Council	Arts and Regeneration Officer	Paul Kelly	✓
Lancaster City Council	Communications Manager	Gill Haigh	✓
Lancaster City Council	Arts Development Officer	Richard Hammond	✓
Curious Minds	CEO	Derri Burdon	✓
ACE	Relationship Manager, Dance	Desiree Cherrington	✓
ACE	Relationship Manager, Engagement and Audiences	Anna Hassan	✓
ACE	Relationship Manager, Learning	Claire Eddleston-Rose	✓
Lancashire Sport	CEO	Adrian Leather	✓
Voluntary sector organisations			
CEEP (Connect, Engage, Empower, Participate)	Director	Steven Naylor	✓
Stakeholders / competitors			
Live at LICA	Creative Producer	Alice Booth	✓
Competitors			
Jennifer's Dancers	Dance instructor	Jennifer Mayor	✓
Heather Burns School of Dance	Dance instructor	Heather Burns	✓

## APPENDIX C: Terms of Reference

### Task

- i. Understand the context and organisations
  - Review Ludus' current situation
  - Review finance, data and plans
  - Review current premises
  - Meet with Ludus team to understand current strengths and weaknesses; ambitions and business needs
  - Review Storey facilities, activities and plans
  - Meet with LCC to understand current strengths and weaknesses, ambitions and needs
  - Review competitive provision
  - Assess supply and demand for proposed and current activities
  - Desk research and consultation with 10 key stakeholders/providers
  - Analyse overall situation
  - Workshop with Dukes, Ludus and LCC to consider this and to set objectives for the development

ii. Model Options

Describe each option in terms of:

- Activity;
- Audiences;
- Profit and Loss;
- Capital development;
- Risk assessment;
- Research into comparators for each model
- Workshop to review options and to evaluate against objectives

iii. Business Case

- Develop option(s) and produce business case



*The Future of Arts Provision in Lancaster: Development of  
the Dukes and Ludus Dance*  
**REPORT**

November 2013

**Bonnar Keenlyside**

*The Future of Arts Provision in Lancaster: Development of the Dukes and Ludus Dance*

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## Contents

	PAGE
1. Summary	1
2. The Dukes	6
3. Ludus Dance	9
4. Strategic Context	12
5. The Market	16
6. Objectives	21
7. Options	22
8. Project Development	24

### Appendices (as separate document)

- A. Lancaster Competitive Provision
- B. Consultees
- C. BK Terms of Reference

## 1. Summary

- 1.1. The Dukes Lancaster sits within a wider site which has been designated for commercial development in the context of a wider regeneration project. The Canal Corridor North development will widen the retail and leisure offer of Lancaster and will extend the city centre.
- 1.2. At minimum, the development offers an opportunity for the Dukes to ameliorate its rather tired facilities. At best, it offers Lancaster an opportunity to improve its overall arts and cultural offer for current and new audiences, to rationalise its cultural planning and provision, and to support the increased resilience of its nationally recognised performing arts organisations.
- 1.3. Supported by Lancaster City Council (LCC), which not only has a strategic leadership role in Lancaster's development and success but also significant stakes in both the current cultural provision and future planning. The Dukes engaged with Bonnar Keenlyside (BK) <sup>1</sup>to consider future options for development including those which might include Ludus Dance (Ludus). Ludus had expressed an interest in occupying part of the development.
- 1.4. An initial appraisal in September 2013 recommended that: any development for the Dukes be considered in the context of the wider strategic and market demands; a business case should consider the needs of current and future audiences and also increase the resilience through the generation of additional income; and that the opportunity to involve Ludus should also be explored in some depth.
- 1.5. In October BK undertook an appraisal of Ludus and considered the other supply of arts activities and facilities in Lancaster. This supply was considered in the context of demand and gaps and opportunities identified. A workshop involving LCC, Dukes, Ludus and architects Levitt Bernstein (LB) considered BK's analysis of the market and of Dukes and Ludus.

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<sup>1</sup> Appendix C Terms of Reference

<sup>2</sup> The current programme, which ends in December 2013, prioritises existing buildings and those projects

- 1.6. The Dukes occupies a strong market position with regard to theatre, independent cinema and creative learning. There is a clear opportunity to increase attendances for independent cinema and live streaming should it establish dedicated screens. Increased footfall from cinema and the promotion of a wider cultural offer more attractive to a wider audience offer potential for a more resilient economy. The Dukes' partnership with Lancaster University, its creative learning programme and its increased fundraising activities are strengths on which it can build. It needs to develop its business model as its current financial position is not sustainable.
- 1.7. Ludus is in the process of adjustment to a major cut in funding and the loss of its touring company and is developing a new business model focussing on dance for children and young people and in delivering commissioned work for health & well being agencies and other public and voluntary sector partners. Its current programme of dance classes is underperforming due to its very poor facilities. It needs to move and to clarify its focus for future sustainability.
- 1.8. There is a clear gap in the Lancaster market for quality dance studios. Dance teachers are interested in hiring such a space, there is a strong demand from agencies such as Lancashire Sport for facilities and activities which will engage young people. This may also attract capital funding.
- 1.9. Both Dukes and Ludus have identified mutual benefits in joining forces through this development. Both have a common strength and focus on young people. Working together, they could create a city, county and North West centre for excellence in creative learning and participation. Both have structural financial deficits which could be addressed by new facilities, shared activities, skills and services.

### Objectives

- 1.10. As a result of the workshop, the partners agreed a set of high level objectives for future development of arts provision in Lancaster:
- improve Lancaster's cultural provision to meet the future needs of its residents and visitors
  - increase the resilience of the City's arts organisations
  - grow strength and reputation in engaging young people and supporting progression.
- 1.11. The specific objectives for the project is to create a facility which will:
- provide a wider cinema offer
  - provide more for children, young people and families
  - improve facilities for dance
  - balance cultural planning for the city
  - achieve additional and more diverse income for Dukes
  - provide consolidation and focus for Ludus
  - improve facilities for creative learning for theatre and dance.

### Options

- 1.12. A number of high level, strategic options have been identified with the potential to deliver the objectives.

#### Option 1: Optimum Option: Dukes and Ludus in a creative hub

- 1.13. This option proposes that the Canal Corridor accommodates the needs of both the Dukes and Ludus by extending Dukes facilities to include two screens and providing a new home for Ludus with a dedicated studio and additional studio space for dance. This will improve public and earning facilities which will result in a higher impact and increased sustainability.

*The Future of Arts Provision in Lancaster: Development of the Dukes and Ludus Dance*

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- 1.14. It will create a destination creative centre which will offer quality experiences for children, young people, families, existing and new residents and tourists. It will be a national centre for excellence in creative learning. The sharing of facilities will improve the resilience of Dukes and Ludus.

Option 2: Dukes maximum solo development and Ludus relocates to Storey

- 1.15. This option proposes that the Canal Corridor accommodates the needs of the Dukes by extending their facilities to include two screens. Ludus would be housed in The Storey which would provide a new home for Ludus with a dedicated studio and additional studio space for dance. This would lead to increased sustainability for the Dukes. The implications for the Storey would need to be determined after further investigation.

Option 3: Refurbish Dukes within current footprint with developments housed within the Storey

- 1.16. This option proposes that the Canal Corridor development includes refurbishment and improvement of the Dukes existing facilities with regard to the public areas. The Storey would accommodate Ludus and programme the cinema. This would provide increased focus and sustainability for LCC operated facilities as well as improving Ludus' offer. The Storey would be repositioned as a creative hub. This threatens the sustainability of the Dukes. It does not achieve a balanced cultural plan for Lancaster.

Option 4: De Minimis

- 1.17. This option proposes that the Dukes and Ludus remain in their existing buildings with little or no improvements made to the facilities. This option risks further erosion of the organisations and has the potential for Lancaster to lose its position as a county leader.
- 1.18. The option which clearly offers the highest benefit is one which involves a collaborative approach to development. This would see the Dukes and Ludus sharing facilities as part of the Canal Corridor development. There are other fallback options which would involve less development on the Canal Corridor for the Dukes and other parts of the needed new provision being housed within LCC's Storey Gallery.



- 1.19. These options now need to be developed and evaluated. A key element of the achievability of this project is the support of partners in addition to the core of Dukes, Ludus and LCC. These include Lancashire County Council and Arts Council of England (ACE) and all should be engaged in the development of the options. All have expressed support for the broad concept expressed in the core option. ACE's capital programme is particularly important. The last date for making applications for large capital funding in this round is expected to be in Autumn 2014. BK has suggested the tasks and timetable required to achieve a good application for this round.
- 1.20. This includes:
- firstly, further development of the proposed joint offer for creative learning
  - architectural work to determine the design and capital costs of the options
  - identification of likely funding.

## 2. The Dukes

- 2.1. The Dukes and Ludus are key arts organisation in Lancaster with both city and county wide remits. They are both part of a national portfolio of arts organisations recognised by ACE. Both occupy buildings owned by LCC and both have a priority to engage people, particularly young people, in performing arts; theatre in the case of the Dukes and dance in the case of Ludus. They are both members of the Lancashire Arts Partnership which also includes LICA.
- 2.2. Both are valued by Lancashire County Council and ACE as well as LCC and both enjoy support from a core loyal audience/community. Both have ambitions for growth and development. Both are limited by their current business models and current premises.
- 2.3. The Dukes is an arts centre, theatre and cinema and a creative learning hub. It produces its own theatre productions including an annual show in Williamson Park and presents work by visiting companies. It runs a bar and catering operation and undertakes other income generating activity through its workshop services.
- 2.4. The events at the venue itself have increased over the last 3 years and are now around 800 annually of which the majority are screenings. The Dukes attracted 132k attendances at events in 2012/13, including free events and offsite activities and visits to the art exhibitions. In terms of ticketed events at the venue, the Dukes attracts around 65k visits. It has a loyal core audience.
- 2.5. The Dukes Cinema is one of the UK's network of arts centres cinema. It currently achieves an average of 35,000 attendances for the cinema programme, which includes independent, world and family cinema. This is without a dedicated screen. The cinema programme is constrained by the lack of screening facilities and is unable either to develop its programme further or to meet the demand for live streaming, 3D and first releases.
- 2.6. Its facilities comprise two auditoria, the Rake (capacity 313 used for performances and screenings) and the Round (capacity 250 used for performances) and the nearby DT3, used for participatory work. The facilities are a bit tired and worn.

- 2.7. The current business model is within an economy around £1.5m, 2/3rds of which it earns and 1/3<sup>rd</sup> of which is public subsidy. During the last few years it has operated at a deficit depleting its reserves and it has not invested in new developments. Taking into account its lack of investment in developments and improvements, it has a structural deficit of around £70k pa and a deficit on its balance sheet, showing unrestricted reserves of -£33k.
- 2.8. Its current business model and economy is summarised here. In 2012/13 there were some extraordinary elements, most notable the lack of the Park show. The 'base year' has been modelled to describe a year in which business is as usual:

*The Future of Arts Provision in Lancaster: Development of the Dukes and Ludus Dance*


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<b>DUKES</b>	<b>2012/2013</b>	<b>Base Year</b>
no of performances/screenings	810	792
no of attendances	65357	62125
Off-site		
no of off site performances	29	38
off-site attendances	0	14473
no of young people led theatre performances	13	13
no of audiences for young people led theatre pe	1236	1236
Creative Learning participants	31048	18,000
<b>Income</b>	<b>£'000s</b>	<b>£'000s</b>
Box Office and fees	457	643
Creative Learning	135	135
Bar and Catering	123	123
Other earned income	53	55
Non-recurrent grants and sponsorship	61	61
Core subsidy	576	576
<b>Total Income</b>	<b>1405</b>	<b>1593</b>
<b>Expenditure</b>		
Direct cost of programme	366	563
Creative Learning	118	118
Bar and Catering	54	54
Direct cost of other earned income	22	22
Costs of non-recurrent activity	3	3
Sales, Marketing and Development	91	91
Salaries	584	569
Overheads	207	207
<b>Total Expenditure</b>	<b>1444</b>	<b>1627</b>

### 3. Ludus Dance

- 3.1. Ludus is a dance agency, supported by ACE to support the development of dance, dancers and encourage participation in dance. Its role and remit has changed recently, with a major review of its governance and management and the loss of 70% of its ACE funding associated with its touring dance company. It is in transition after this extensive change with a new focus on developing partnerships and delivering commissions and also for supporting progression routes for dance from children through to young professionals. It is strongly supported by ACE in this.
- 3.2. Its current activity encompasses several programmes and projects throughout Lancashire. Within its premises in Lancaster it offers a programme of community dance classes including specialist dance classes aimed at, for example, lads and mature people. The attendance at these classes is largely in decline, with many of them unviable.
- 3.3. A major factor in the weak performance of the classes is the very poor facilities at Ludus. There is only one dance studio which needs to serve not only community classes but also dance development work. The studio itself is reasonable if underequipped but the dearth of showers, changing facilities and public areas are a barrier to success. The poor visibility of Ludus, the lack of a ground floor public entrance and the general scruffiness of the facilities are severely detrimental to the success of Ludus. A dance agency should have a good atmosphere, a creative vibe which attracts young people and others of all types, it should be quite cool while accessible. And it should essentially have changing rooms, showers and a place for people to socialise.
- 3.4. Its economy has shrunk to a projected base year level of £244k, achieved through cutting overhead expenditure. The studio dance programme runs at a loss.
- 3.5. A base year model has been produced and is illustrated here, alongside the budget for 2013/14:

*The Future of Arts Provision in Lancaster: Development of the Dukes and Ludus Dance*


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<b>LUDUS</b>	<b>2013/14</b>	<b>base year</b>
<b>Activity</b>		
<b>Community Class Programmes</b>		
studio hours per year		660
number of classes per week		18
total attendance		5500
<b>Dance Development Programme</b>		
studio hours	654	600
<b>Income</b>	<b>£</b>	<b>£</b>
Community Classes Income	20,000	20,000
Dance Development Income	64,079	64,579
New Income Stream		12,204
Core subsidy	148,580	148,580
Non-recurrent grants and c/f reserves	104,653	0
Misc	300	300
<b>Total Income</b>	<b>337,612</b>	<b>245,663</b>
<b>Expenditure</b>		
community classes	24,079	24,079
dance development programme	127,793	57,265
marketing	5,797	5,797
staff	113,619	110,331
building overheads	34,739	28,563
admin overheads	21,206	18,590
<b>Total Expenditure</b>	<b>327,232</b>	<b>244,625</b>

- 3.6. Ludus is planning its next phase of development and in doing so wishes to take advantage of opportunities for diversifying income generation through the delivery of dance projects and programmes to strategic commissioning bodies. It plans an increased focus on young people as part of defining its role in the context of other dance agencies in the North West.



- 3.7. There are other providers of community dance classes in Lancaster and other studios but none of quality in the city centre. Dance teachers identified the gap in the market for quality dance studios and also expressed an interest in hiring such studios for their own classes. This model, where Ludus would restrict delivery of classes to those with a particular strategic purpose (e.g. integrated dance), and hire out its studios to dance teachers to deliver community classes, is one which works in other dance agencies, most notably Yorkshire Dance.
- 3.8. The need for dedicated dance studios was also identified in BK's consultation with stakeholders including Lancashire Sport who indicated that potentially they might attract investment from Sport England for such a facility, were it able to support a dedicated youth programme.

## 4. Strategic Context

- 4.1. The Dukes and Ludus can be viewed in a national arts and cultural context as well as in the context of Lancaster and Lancashire.

### Arts

- 4.2. The arts in the UK enjoy substantial investment from the public purse, through local government and the Arts Council of England (ACE). In addition, there are many trusts and funds which support arts activity. ACE goals are:
- Talent and artistic excellence are thriving and celebrated
  - More people experience and are inspired by the arts
  - The arts are sustainable, resilient and innovative
  - The arts leadership and workforce are diverse and highly skilled
  - Every child and young person has the opportunity to experience the richness of the arts
- 4.3. These goals also govern the consideration for capital funding. ACE distributes the Arts Lottery and has a clear process for application for both small (up to £.5m) and large capital grants.<sup>2</sup>
- 4.4. The recent contraction of public expenditure has resulted in a significant reduction in the amount of funds ACE has available to invest in the arts. It is therefore keen to prioritise support to arts organisations which clearly deliver its goals as well as making a clear contribution to its art form strategies and additionally making a specific and differentiated contribution to the regional ecology.

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<sup>2</sup> The current programme, which ends in December 2013, prioritises existing buildings and those projects which create more resilient organisations and states that any organisation who is not a National Portfolio Organisations would need written permission from its area office before applying – and would need to demonstrate achieving Great Art for Everyone.

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*The Future of Arts Provision in Lancaster: Development of the Dukes and Ludus Dance*

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4.5. In the case of Lancaster, Dukes and Ludus, key elements essential to retaining and strengthening the support of ACE are:

- Goal 1: Talent and artistic excellence are thriving and celebrated
  - Increased focus and vigour of both Dukes and Ludus in supporting artistic talent and presenting it in a quality environment
- Goal 2: More people experience and are inspired by the arts
  - The business case for the optimum development will involve more people not only in experiencing professional art but also in participating in art
- Goal 3: The arts are sustainable, resilient and innovative
  - Organisational resilience for Dukes and Ludus should be significantly strengthened through this project
- Goal 4: The arts leadership and workforce are diverse and highly skilled
  - Ludus currently provides CPD for dance artists and there is potential for the Dukes and Ludus to extend the provision of skills and training
- Goal 5: Every child and young person has the opportunity to experience the richness of the arts
  - The Dukes' work in creative learning is viewed by ACE as outstanding; Ludus' increased focus on young people and talent development is viewed positively by ACE in the context of its regional dance portfolio; there is strong support for the creation of a creative learning offer involving both theatre and dance; Lancaster can be a regional and possibly a national leader in this area through this project.

*The Future of Arts Provision in Lancaster: Development of the Dukes and Ludus Dance*

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Lancaster City Council

- 4.6. LCC has multiple interests in the Dukes and Ludus, strategically and in terms of its roles as current leaseholder and statutory planning authority. It faces financial challenges and has identified the need to address a projected deficit of £3.5m in 18 months. It is therefore keen to prioritise its expenditure on services in the most effective manner in the context of its overall strategic objectives.
- 4.7. Of particular relevance to this project are LCC's economic and cultural objectives. LCC aims to increase the number of residents, particularly through retaining graduates as well as attracting new residents to live in the city including young families.
- 4.8. Tourism is a key area for growth and as part of the strategy to attract more visitors. LCC is implementing its Cultural Heritage Strategy building upon Lancaster's rich cultural heritage as a medieval town with a Castle and Priory.

Arts Strategy

- 4.9. LCC is signatory to *2020 Vision: A Seven Year Framework for the Arts in Lancaster District*. This has been developed and endorsed by a wide partnership including Lancashire County Council and Lancaster University as well as other public agencies and all the arts organisations in Lancaster.
- 4.10. The framework states:

*By 2020, creativity and the arts will be a distinctive and outstanding component of the district's cultural heritage offer and economy. We will have built on an established and enviable reputation across Lancashire and around Morecambe Bay for leadership and innovation in the delivery of high quality access to arts and cultural events.*

*To achieve international recognition for Lancaster as a district where culture and the arts are at the heart of civic life. The district will have an exceptional reputation for art, dance, theatre, music and literature.*

*We want to see the City of Lancaster recognised as a beacon location for the arts where the concept of an "arts city" sits alongside a significant step change in the city's offer as a destination for visitors, as a place to learn and as a top quality place to live and work.*

*The Future of Arts Provision in Lancaster: Development of the Dukes and Ludus Dance*

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*We want to see our coastal town of Morecambe, occupying the spectacular setting on Morecambe Bay, develop into an arts and festival town.*

*We want to see young people staying in the district because of the unique and special features of the arts and cultural offer, whether they are born here or arrive as students.*

- 4.11. In the wider context of economic planning, LCC is encouraging the Canal Corridor development which will provide major retail facilities and will extend the city centre offer.
- 4.12. LCC also operates The Storey, a key element in the arts provision in Lancaster. The Storey is a major facility in central Lancaster that was recently developed to a substantial level. The business model includes workspaces and artist funded exhibitions, a tourist information centre and a restaurant /café. There are also a significant number of spaces currently vacant with potential for both a cinema and dance studios.

Lancashire County Council

- 4.13. The County Council is another key stakeholder in this project, supporting both Dukes and Ludus and keen that facilities are improved.

Lancaster University

- 4.14. The University is potentially a key partner, involved currently with the Dukes in a new cultural research project. LICA is under new directorship. Further discussions should take place as the project develops.

## 5. The Market

### Demand

- 5.1. Overall, demand for attending theatre performances is stable in the UK while the market for cinema is buoyant, with a 20% increase in cinema admissions from 2000 to 2012. In 2012, UK cinema attendances reached their highest level in 10 years, with national admissions of 172.5m and a 6% increase in sales on the previous year. Independent films also increased in market share.
- 5.2. The market for the arts in Lancaster can be estimated using industry data which is commissioned by ACE using Target Group Index data.<sup>3</sup>
- 5.3. A 30 minute drive time around Lancaster includes the towns of Kendal (South), Milnthorpe, Morecambe and Preston (North). The number of arts attenders within this catchment is estimated below:

Lancaster 30 minute drivetime	
	Attenders
plays	85,492
any performance in theatre	118,787
cinema	165,657
opera	22,888
ballet	25,205
contemporary dance	17,346
classical music	39,594
jazz	17,356
rock and pop	109,529
art galleries	73,835

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<sup>3</sup>Target Group Index data: ACE and CACI using figures for England 2012

*The Future of Arts Provision in Lancaster: Development of the Dukes and Ludus Dance*

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5.4. This data can also be used to estimate:

- The potential annual **attendances** applying industry figures for the average number of attendances per attender;
- The estimated attenders and attendances for Lancaster within a 30 minute drive time:

Lancaster 30 minute drivetime		
	Attenders	Potential attendances
plays	85,492	170,984
any performance in theatre	118,787	237,574
cinema	165,657	828,285
opera	22,888	22,888
ballet	25,205	25,205
contemporary dance	17,346	17,346
classical music	39,594	79,188
jazz	17,356	17,356
rock and pop	109,529	219,058
art galleries	73,835	147,670

5.5. Participation in the arts in Lancaster can be estimated using the Taking Part data commissioned by the Arts Council England.<sup>4</sup>

5.6. The number of people participating in the arts in Lancaster is estimated below:

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<sup>4</sup>Taking Part data: ACE Taking Part 2011/12: Findings for the North West Region



*The Future of Arts Provision in Lancaster: Development of the Dukes and Ludus Dance*

Participation	Lancaster	
<i>Population</i>	139,800	
Textile, crafts	16,776	12%
Painting, drawing, printmaking or sculpture	15,378	11%
Played a musical instrument for our own pleasure	13,980	10%
Photography used as an artistic activity	12,582	9%
Used a computer to create original artwork or animation	12,582	9%
Other dance	11,184	8%
Other crafts such as calligraphy, potter or jewellery making	5,592	4%
Wood crafts	5,592	4%
Sang to an audience or rehearsed for a performance	5,592	4%
Written any stories or plays	4,194	3%
Written any poetry	4,194	3%
Written music	4,194	3%
Made films or videos as an artistic activity	2,796	2%
Played a musical instrument to an audience or rehearsed for a performance	2,796	2%
Took part in a carnival	2,796	2%
Rehearsed or performed in play/drama	1,398	1%
Been a member of a book club	1,398	1%
Took part in street art		< 1%
Learned or practiced circus skills		< 1%
Rehearsed or performed in opera/operatta or musical theatre		< 1%
Ballet		< 1%
<i>Taking Part Data for North West 2012</i>		

### Demand for a dance studio

- 5.7. There was support from other dance organisations and teachers in Lancaster for the development of a purpose built rentable dance studio. The lack of such a facility in the city centre means that many of the dance organisations in Lancaster hold their classes in facilities that are not purpose built for dance. These include community centres, town halls and schools.
- 5.8. There is potential for generating income from studio rental but dance teachers emphasised the importance of having an affordable space.

- 5.9. Whilst many of the children's classes in Lancaster are held at similar times to coincide with the schools timetable, there is potential to rent a studio at off-peak times for training, adult classes and summer schools.

#### Supply

- 5.10. Within the catchment there are several organisations offering significant cultural services to the residents and visitors of Lancaster. These include LICA, VUE, The Storey, The Lancaster Grand Theatre, several independent dance schools and More Music in Morecambe. The Brewery Arts Centre in Kendal is 23 miles away and there is a strong cultural offer beyond the 30 minute drive time from both Preston and The Grand Theatre in Blackpool. This is described in Appendix A: Lancaster Competitive Provision.
- 5.11. The main providers of cinema in addition to the Dukes is the VUE. The VUE is located in the city centre and has 6 screens with a capacity of 1574. It shows a wide range of films including blockbusters, first releases, family entertainment and is equipped to screen both 3D and live streaming. Lancaster University also has a cinema that shows a wide range of films including blockbusters and documentaries. Ticket prices are low and it can facilitate 3D film screenings.

#### Dance Schools

- 5.12. There are a number of independent dance schools in Lancaster, including Jennifer's Dancers, Heather Burns School of Dance and the Alysia Gilda School of Dance. They offer classes to children of all ages and adults in a broad range of dance styles including ballet, contemporary and street.
- 5.13. Lancaster University has a range of dance societies for students which hold weekly classes as well as competing in the Roses Competition against the University of York each year. Students can take classes in ballet, ballroom, belly dancing, cheerleading, street and swing dance.

#### Gap Analysis

- 5.14. There is a gap in supply of dance studios. There is room in the market for additional independent cinema. Further evidence of the potential for cinema can be drawn by comparing cinema provision in Lancaster with similar cities:

*The Future of Arts Provision in Lancaster: Development of the Dukes and Ludus Dance*

CINEMA COMPARATORS						
	Lancaster	Warwick	Dundee	Exeter	Derby	Bath
population	139,800	137, 648	144, 290	117,800	248,752	176,000
arts centre	The Dukes	Warwick Arts Centre	DCA	Phoenix,	Derby Quad	Little Theatre
local multiplex	Vue	Vue	Odeon	Odeon and Picturehouse	Odeon	Odeon
number of screens local multiplex	6	6	10	11 (2 multiplexes)	10	8
capacity of multiplex	1,574	898	2,303	1,988	1,611	1,579
dedicated screen1	no	220	217	341	232	192
dedicated screen 2	o		70	132	125	72
shared screen	313					
total screening capacity	313	220	287	473	357	264
no of annual screenings	586	783		32	312	

- 5.15. Those arts centres with dedicated screens attract higher attendances than the Dukes can currently achieve. A dedicated screen of 120 could reasonably be expected to increase attendances:

	future	current					
	Lancaster	Lancaster	Kendal	Warwick	Dundee	Exeter	Derby
population	139,800	139,800	28,586	137, 648	144, 290	117,800	248,752
	The Dukes, VUE	The Dukes, VUE	The Brewery Arts Centre	Warwick Arts Centre, VUE	DCA, Odeon	Phoenix, VUE, Odeon, Picturehouse	Derby Quad, Odeon
number of screens local multiplex	6	6		6	10	11 (2 multiplexes)	10
capacity of multiplex	1,574	1,574		898	2,303	1,988	1,611
dedicated screen1	120		200	220	217	341	232
dedicated screen 2	40		90		70	132	125
shared screen	313	313	260				
total screening capacity	473	313	550	220	287	473	357
no of annual screenings	800	586		783		32	312
no of attendances	60,000	34,391	96,903	56,157	85,873	93,611	75,000
income from screening	270,000	117,479	472,096	226,975			380,050

## 6. Objectives

6.1. A successful development of the Dukes and Ludus will involve:

- Improving Lancaster's cultural provision to meet the future needs of its residents and visitors
- Increasing the resilience of the key arts organisations
- Growing the strength and reputation in engaging young people and supporting progression

6.2. The specific objectives for the project is to create a facility which will:

- provide a wider cinema offer
- provide more for children, young people and families
- improve facilities for dance
- balance cultural planning for the city
- achieve additional and more diverse income for Dukes
- provide consolidation and focus for Ludus
- improve facilities for creative learning

## 7. Options

- 7.1. A number of options have been developed, from minimum to optimal capital development building on strengths and dealing with its weaknesses. Each option is described below. A number of high level, strategic options have been identified with the potential to deliver the objectives.

Option 1: Optimum Option: Dukes and Ludus in a creative hub

- 7.2. This option proposes that the Canal Corridor accommodates the needs of both the Dukes and Ludus by extending Dukes facilities to include two screens and providing a new home for Ludus with a dedicated studio and additional studio space for dance. This will improve public and earning facilities which will result in a higher impact and increased sustainability. It will create a destination creative centre which will offer quality experiences for children, young people, families, existing and new residents and tourists. It will be a national centre for excellence in creative learning. The sharing of facilities will improve the resilience of Dukes and Ludus.

Option 2: Dukes maximum solo development and Ludus relocates to Storey

- 7.3. This option proposes that the Canal Corridor accommodates the needs of the Dukes by extending their facilities to include two screens. Ludus would be housed in The Storey which would provide a new home for Ludus with a dedicated studio and additional studio space for dance. The impact of this on Ludus needs to be further explored in terms of the spaces available and the financial and operational arrangement. Ludus has a concern that the ambience of The Storey would inhibit attendance by children and young people. For the Dukes, the business will be more sustainable.

Option 3: Refurbish Dukes within current footprint with developments housed within the Storey

- 7.4. This option proposes that the Canal Corridor development includes refurbishment and improvement of the Dukes existing facilities with regard to the public areas. The Storey would accommodate Ludus and programme the cinema. This would provide increased focus and sustainability for LCC operated facilities as well as improving Ludus' offer. The Storey would be repositioned as a creative hub. This threatens the sustainability of the Dukes. It does not achieve a balanced cultural plan for Lancaster.

De Minimis Option

- 7.5. This option proposes that the Dukes and Ludus remain in their existing buildings with little or no improvements made to the facilities. This option risks further erosion of the organisations and has the potential for Lancaster to lose its position as a county leader.
- 7.6. The option which clearly offers the highest benefit is one which involves a collaborative approach to development. This would see the Dukes and Ludus sharing facilities as part of the Canal Corridor development. There are other fallback options which would involve less development on the Canal Corridor for the Dukes and other parts of the needed new provision being housed within LCC's Storey Gallery.

## 8. Project Development

- 8.1. The Dukes has a capital development group of the board and this group is not only considering the capital application but is also considering fundraising for the development. In cognisance of this, fundraising has not been addressed by BK and the area is outside BK's current terms of reference.
- 8.2. We recommend that a Project Board is set up for this development which includes one or two of the leaders of Dukes and Ludus along with key individuals from LCC. This should maintain the overview of the project and champion it. A project management process should be designed and implemented with clear responsibilities for specific workstreams.
- 8.3. The key elements of the planning process for the next stage are outlined below with a suggested timetable and allocation of responsibilities. This is based on the assumptions that BK contains its input to within the three days remaining on the current contract, that Levitt Bernstein are commissioned to undertake necessary architectural work and that the Dukes' current arrangements for capital fundraising services are maintained and are sufficient for the needs of the project.
- 8.4. The workstreams are:

### Business Case

- Developing the joint creative learning offer. It is assumed that Dukes and Ludus will undertake this;
- On receipt of this, and other inputs from Ludus and Dukes, BK to produce the outline business model (1 day of BK time)
- BK to lead options appraisal following inputs from LB and Dukes Fundraising Team and produce output (2 days)

### Architectural Work

- Architectural work to determine the design and capital costs of the options (LB and their QS)



Fundraising

- Assess fundraising potential for preferred option, alternatives and subsequent strategy (Dukes and Ludus)
- Prepare ACE bid (Dukes and Ludus)

Project leadership

- Relationship development and management
- Project management (Dukes and Ludus)

8.5. It may be that Dukes and Ludus would benefit from additional support in the project development.

8.6. Below is a suggested timetable and allocation of responsibilities:

*The Future of Arts Provision in Lancaster: Development of the Dukes and Ludus Dance*

Dukes and Ludus Capital Development: next Steps																
					2013		2014									
					November	December	January	February	March	April	May	June	July	August	September	
Dukes	Ludus	LCC	BK	LB												
<b>Business Case</b>																
develop areas identified:																
x	x															
			x													
			x													
x	x															
			x	x												
x	x		?													
<b>Architectural work</b>																
			x													
			x													
<b>Fundraising</b>																
x																
x																
<b>ACE Capital Bid</b>																
x	x			x												
x																
<b>Options</b>																
			x	x												
				x												
			x													
			x													
			x	x												
			x													
			x													
x	x	x	x	x												
<b>Partner Engagement</b>																
x	x	x														
x	x	x														

<b>CABINET</b>
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**Potential for the Provision of Building Control  
Services by South Lakeland District Council  
27 May 2014**

**Report of Chief Officer (Regeneration and Planning)**

<b>PURPOSE OF REPORT</b>			
To seek Cabinet approval to enter into formal arrangements with South Lakeland District Council to provide Building Control services on behalf of the City Council			
<b>Key Decision</b>	<b>X</b>	<b>Non-Key Decision</b>	<b>Referral from Cabinet Member</b>
<b>Date of notice of forthcoming key decision</b>		28 April 2014	
<b>This report is public</b>			

**RECOMMENDATIONS OF COUNCILLOR JANICE HANSON**

- (1) That Cabinet agrees that steps should be taken to enter into an appropriate formal arrangement for Building Control services to be provided by South Lakeland District Council on behalf of Lancaster City Council.
- (2) That the Chief Officers (Regeneration and Planning), (Governance) and (Resources) be instructed to conduct the appropriate negotiations including taking any transitional steps required in the interim period and to report back to Cabinet for approval to formalise arrangements in due course.

**1.0 Introduction**

- 1.1 The Council has a duty to provide a basic Building Control Service. The provision of those services are subject to open market competition with private sector companies which are registered as "Approved Inspectors".
- 1.2 Although fees can be charged for the vetting of applications for compliance with the building regulations, and the inspection of works being implemented, there are a range of other statutory functions which the council must provide and pay for. These include enforcing the regulations, dealing with dangerous structures and verifying initial notices submitted by approved inspectors.
- 1.3 In financial terms the council's building control function runs a rolling trading account which is expected to break even making neither profit or losses over a three year period. Taken alongside the statutory duties the council provides, the ideal would be that the basic cost for providing those duties would be modest and stable with the fee earning element of the operation covering the rest of the costs. Up until 2010 and the emergence of private

sector competition in the district the Council's building control operation made an operating surplus.

## **2.0 Proposal Details**

- 2.1 After 2010 when private sector competition established itself in Lancaster District a significant amount of application business was lost to approved inspectors. Corrective action reduced significantly the establishment of the council's operation and it was hoped that a smaller modest team could still break even and provide a minimum statutory service alongside the private sector. A smaller operation still carries significant operating and premises costs however and the amount of fee income generated by less and smaller applications has meant that the council's trading account has been running a deficit for some time.
- 2.2 In addition to the continuing deficit the smaller operation has experienced the loss of a significant number of its staff with some moving to join the private sector competition. Increased business for the existing city council function could only be generated if the council invested heavily in replacing staff and employing new skills. In the current financial climate such an approach would be difficult to justify. The alternative approach is to look to find another local authority with the skills and resources in place to either share a service with or to run the operation on behalf of the city council on either a delegation or outsourced management arrangement.
- 2.3 Discussions with adjoining Lancashire authorities took place in 2012 but it quickly became clear that the most promising operational arrangement which could deal with commonalities in boundaries and links with architecture/planning practices was one which could be provided by South Lakeland District Council (SLDC).
- 2.4 To test the potential for the operation of a joint venture, a pilot project has been in operation since July 2013 whereby SLDC has been providing plan vetting and managerial support for the skeleton operation at Lancaster (now down to 1.7FTE) in staffing terms. More recently an additional resource funded by both authorities within existing budgets has sought to examine the potential for improved income.
- 2.5 SLDC set themselves a target for the end of the financial year 2013/14 to decide whether they believe that it is feasible and beneficial to enter into formal arrangements with the City Council to assist with the provision of building control services. At senior officer level they have decided to do so. Formal ratification at member level is now being sought.
- 2.6 Functional sharing of operations is not easy despite the fact that the two authorities are neighbours. Different ICT systems, geographical distances between main office bases, and administrative support networks cause complication. Significant efficiencies could be secured however by centralising plan vetting and administration in Kendal and improving the competitiveness of building inspection services based in this district.
- 2.7 The next stage of the process is for members in both authorities to authorise work to proceed to formalise the working arrangements between the two authorities, and for steps to be taken to manage the transition between the arrangements.

## **3.0 Details of Consultation**

- 3.1 Staff involved in both local authorities have been continuously updated on the proposals and if formal arrangements are authorised will be fully consulted about the proposals, along with the Trade Union.

**4.0 Options and Options Analysis (including risk assessment)**

	<b>Option 1:</b> Not to enter into negotiations with SLDC to provide Building Control services	<b>Option 2:</b> To enter into formal negotiations with SLDC to provide Building Control services	<b>Option 3:</b> To enter into negotiations with another party to provide Building Control services
Advantages	None.	SLDC have a strong brand and shared geographical boundary. Such an arrangement would provide the public with a viable alternative choice to local private sector provision.	Non apparent at this time
Disadvantages	The Council cannot currently provide a viable Building Control service without further investment	The new service would be branded as an SLDC operation, however the current Lancaster city brand is weak in this service area so the disadvantage is minimal.	No other adjoining local authorities are able to consider providing such a service, and securing provision contracted to private sector organisations would be more costly due to the districts remoteness.
Risks	The further extension of the deficit in the Building Control Trading Account	SLDC being unable to secure more business from the Lancaster area and continuing losses in the Building control Trading Account	As per option 1

**5.0 Officer Preferred Option (and comments)**

5.1 The officer preference is Option 2

**6.0 Conclusion**

- 6.1 The Council must take steps to continue providing this service without continuing to build the deficit in its own trading account. To do this the best alternative is to achieve economies of scale and changes in market perception by merging with another party. Members have expressed the preference to achieve efficiencies by working with other local authorities. There are also benefits in strengthening working relations with partners around Morecambe Bay where there is more commonality in local economies.
- 6.2 Although the new operation would be an SLDC service provided for the City Council, this is a confident local brand which is more likely to compete effectively with local approved inspectors than the City Council brand. This arrangement would also secure employment for the small number of officers currently employed by the City Council should they wish to continue working in this field.

#### **RELATIONSHIP TO POLICY FRAMEWORK**

The Building Control process ensures that building works are carried out to national standards with the aim of raising the standard of energy efficiency, and providing people who live and work in them with a safe and clean environment.

#### **CONCLUSION OF IMPACT ASSESSMENT**

**(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing)**

Building control service have a role to play in supporting the district emergency planning procedures.

#### **LEGAL IMPLICATIONS**

The Council in entering into these arrangements will need to ensure that its legal obligations under the Building Acts are observed and maintained. Legal Services would advise on any formal documentation setting out the future arrangements with SLDC.

#### **FINANCIAL IMPLICATIONS**

Lancaster City Council's Building Control deficit is currently being funded from the General Fund Revenue Budget and has been estimated as follows for the next three financial years:

2014/15 - £46.9K

2015/16 - £48.6K

2016/17 - £50.4K

As set out in the body of the report there are various delivery models which could be explored, such as a Shared Service or Delegation of Functions arrangement or some form of Contractual/Outsourced management arrangement, the latter usually involving giving up total control and buying in the service, whereas a Shared Service would involve some retention of control usually through a Joint Management Board where Members/Officers from both organisations meet regularly and agree the strategic direction of the function, etc.

At this stage, it is not possible to provide further detailed financial implications regarding any future level of savings, until the final delivery model that secures the best value for money for Lancaster City Council has been determined. This will need to be reported back to Cabinet prior to any formal contractual arrangement being entered into with SLDC including any potential redundancy or TUPE implications arising.

It is recommended therefore, that in the interim period the current informal arrangement continues whereby SLDC officers undertake work beyond the current capacity of Lancaster so that Lancaster is able to discharge its statutory duties.

**OTHER RESOURCE IMPLICATIONS**

**Human Resources:**

There is the potential for existing staff to be TUPE transferred to SLDC as part of the arrangements

**Information Services:**

The need to move to a single operating system is a challenge for both authorities and one to be urgently addressed in the process.

**Property:**

Current recharges against this aspect of the Regeneration and Planning Service will have to be reviewed.

**Open Spaces:**

None

**SECTION 151 OFFICER'S COMMENTS**

The S.151 Officer has been consulted and has no further comments to add.

**MONITORING OFFICER'S COMMENTS**

The Monitoring Officer has been consulted and has no further comments at this preliminary stage.

**BACKGROUND PAPERS**

None

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**Ref:**



<b>CABINET</b>
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## LIGHT UP LANCASTER – FIREWORKS EVENT 27 May 2014

### Report of Chief Officer (Regeneration and Planning)

PURPOSE OF REPORT			
To provide Cabinet with an update on the 2014 Lancaster Fireworks event and to provide options for event management.			
<b>Key Decision</b>	<input type="checkbox"/>	<b>Non-Key Decision</b>	<b>Referral from Cabinet Member</b>
<b>Date of notice of forthcoming key decision</b>	N/A		
<b>This report is public</b>			

#### RECOMMENDATIONS OF CHIEF OFFICER (REGENERATION AND PLANNING)

**It is recommended that**

- (1) External event management support is procured to provide formal event management for the Lancaster Fireworks event in November 2014
- (2) That delegated authority be given for the Chief Officer (Resources) to update the General Fund Revenue Budget to reflect indicative additional costs for event management, of around £6,000 to £16,000, as indicated by the market testing exercise, subject to confirmation of final costs as part of the procurement process and sufficient savings being identified from existing budgets.

#### Introduction

1.1 Light Up the Skies (Lancaster's Firework Spectacular) is part of Light Up Lancaster, a two day festival which will take place across the city on the 7<sup>th</sup> and 8<sup>th</sup> November. Last year the total estimated audience for the Light Up Lancaster Festival was over 19,000 with around 12,000 attending the fireworks night alone. For 2014 the programme will consist of the following events:

- **Light up the Streets** will take place at locations throughout the city centre. Performances and exhibitions of visual arts will be commissioned and delivered by the Lancaster Arts Partnership.
- **Light Up the Skies** is Lancaster's annual fireworks event, which has for the past two years been organised in a different way, with a limited number of wristbands available for entry to designated viewing areas, where additional entertainment and refreshment stalls are available.

- 1.2 Delivery arrangements for the Fireworks event in previous years utilised a large number of council staff outside of the core events team in providing strategic development & planning, events control, zone control and stewarding. This in kind contribution had a total value of £56,100 (including £9,500 for 'time off in lieu') across all of the council's major events, including the Fireworks event. However, some of this capacity has now been taken as savings related to posts that are no longer filled following a number of significant restructures across the council. Remaining staff resources are difficult to access as they are related to mainstream service areas where capacity is now much more limited. Specifically, the reduction in backfilling costs and possible overtime for the council's events are part of the considerable savings achieved as a result of the council's large scale restructures. As the staff resources required for events is no longer available other delivery options need to be considered. A market testing exercise was conducted to assess the level of private sector interest in delivering this event and also to gain indicative information on possible costs.
- 1.3 The council's existing budget for this event, not including staffing and marketing, is currently **£24,000**.
- 1.4 Conclusions from the market testing exercise suggest the following:
- **Level of interest**  
Although the market testing exercise was limited to approaching a select number of companies, there was interest in tendering to deliver the fireworks event. With wider advertising and use of the Council's Chest Procurement System it seems likely that the response would increase, providing a greater choice, although November is a busy time of year for many event management companies.
  - **Costs**  
Indicative costs for providing a like for like event range from **£29,300 to £40,000**. These costs must be treated with some caution as the full detail will only become available when the procurement exercise is complete.

## **2.0 Proposal Details**

- 2.1 That the Council procures event management services to organise and deliver the Fireworks event for 2014 on a similar basis to the 2013 delivery model.
- 2.2 The council would still provide strategic support for the event, including contract management/monitoring, liaison re: events safety, road closures and premises licence responsibilities, marketing and business engagement.
- 2.3 In addition, as the event is part of Light up Lancaster it will be important for the council to ensure that, as new arrangements are developed, links with the Arts Partners, the Arts Council and the Business Improvement District are supported and match funding requirements are met.
- 2.4 Any new arrangements for 2014 can be fully evaluated and used to inform the sustainable development of any approach for future years in the context of the Council's overall approach to events in the District.

**3.0 Options and Options Analysis (including risk assessment)**

	<b>Option 1:</b> Procure management and delivery of Lancaster Fireworks event 2014	<b>Option 2:</b> Do not procure management and delivery of Lancaster Fireworks event for 2014
Advantages	<p>Allows the Fireworks event for 2014 to be delivered, meeting local expectations around this highly valued local event.</p> <p>Economic impact achieved as a result of high volume of visitors and attendees.</p> <p>Enhances the value of the Light Up Lancaster event as a whole, supporting the work of arts partners.</p> <p>Allows external funding to be maximised.</p> <p>Efficient model of delivery as in kind contributions from the council for key events staffing roles no longer required.</p> <p>Allows the council to focus its limited resources on marketing, business engagement, external funding and work with district partners.</p> <p>No impact on day to day business as a result of time off in lieu.</p>	<p>Provide an opportunity to make savings.</p>
Disadvantages	<p>Increase in the headline budget required to organise and deliver the event (to be mitigated either by utilising savings elsewhere or redirecting existing resources).</p>	<p>Fireworks will not be deliverable as resources required are not available.</p> <p>Jeopardises external funding of £58k, which Light up Lancaster has secured from Arts Council and BID by withdrawing match funding support.</p> <p>Possible reputational damage to the Council re public expectations and economic impact.</p>

Risks	Quality of event - contract management arrangement will be in place to manage performance. Costs may be higher than estimated from the market testing - procurement processes will ensure Value for Money	That the fire service will possibly see an increase in call outs with the increase of more private firework displays being organised.
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#### **4.0 Consultation**

- 4.1 Consultation with private sector providers has been undertaken as part of the market testing exercise. It will be important to communicate and work closely with arts partners and funders regarding any new delivery arrangements for the Fireworks event once these are agreed. Any company tendering successfully for the delivery arrangements for the Fireworks event will be required to present their event plan to the district's Event Safety Advisory Group (ESAG).

#### **5.0 Officer Preferred Option**

- 5.1 To approve the procurement and private sector delivery for the Lancaster Fireworks for 2014. This enables local communities to continue to benefit from an important local event, an economic impact to be achieved for the district and the continuing development of work with arts partners and funders for the Light Up Lancaster Festival 2014 as a whole.

#### **6.0 Conclusion**

- 6.1 As previous delivery arrangements for the Fireworks event are no longer feasible, a new approach is recommended which will allow the Fireworks event to be delivered again in 2014. Although there is the potential for some limited additional costs, this is in the context of considerable savings gained as a result of service restructures. Timing is an important issue as a firm commitment will need to be made to an external provider as soon as possible in order to ensure that services are secured and sufficient lead in time is available.

### **RELATIONSHIP TO POLICY FRAMEWORK**

The Fireworks event is part of the Council's current range of Economic Development services and is consistent with the current Corporate Priority of Economic Growth.

### **CONCLUSION OF IMPACT ASSESSMENT**

**(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing)**

Although the Fireworks event attracts large numbers of people into the city centre, this is carefully managed with the involvement of Police and Fire Services and is seen as a positive means of providing fireworks entertainment for local communities with much more manageable risks than a larger number of local and individual events.

### **LEGAL IMPLICATIONS**

Arrangements for tendering, procurement and contract management will be subject to the Council's Contract Procedures Rules.

### **FINANCIAL IMPLICATIONS**

Current budget provision for the Fireworks event is £24,000. Indicative additional costs identified as a result of the market testing exercise suggest that external event management will cost between £6,000 and £16,000 more than the previous delivery model. As highlighted in the main body of the report, however, in previous years the event has been supported by staff outside of the core team and this resource is no longer available.

The additional costs will need to be met from within existing Regeneration & Planning budgets, of which £6,600 has already been identified resulting from the new temporary management arrangements for the Platform. Should Members not allocate the remaining £4,600 Arts Development budget for the Dukes and Grand request covered under a separate item elsewhere on this agenda, then this could also be re-directed to the fireworks event.

Subject to the final procurement exercise and whether or not the remaining Arts Development budget is available, there is still a potential savings balance ranging from £4,800 to £9,400 for the Service to find. Any significant adverse service implications arising from identifying such additional savings would be reported back to Cabinet in due course for consideration if appropriate.

### **OTHER RESOURCE IMPLICATIONS**

#### **Human Resources:**

The proposal to procure event management and delivery removes the requirement for the Council to provide staff for event control, zone control and stewarding on a Time Off in Lieu basis. Some very low level support is required to ensure that Salt Ayre and Williamsons Park sites are open as viewing areas.

#### **Information Services:**

None directly as a result of this report

#### **Property:**

Delivery of the Firework events involves the use of Council land and premises

#### **Open Spaces:**

Areas of the city centre are subject to a Premises Licence for which the Council has responsibilities. This is considered as a standard responsibility for events in these areas.

### **SECTION 151 OFFICER'S COMMENTS**

The s151 Officer has been consulted. This issue highlights the increasing pressures on service delivery as finances become tighter, and reiterates the need to appraise fully the resource / financial implications when planning various activities. There is an increasing propensity for this sort of scenario to arise in future, given the Council's financial prospects.

<b>MONITORING OFFICER'S COMMENTS</b>	
The Monitoring Officer has been consulted and has no further comments.	
<b>BACKGROUND PAPERS</b>	<b>Contact Officer: Anne Marie Harrison</b> <b>Telephone:</b> 01524 582308 <b>E-mail:</b> amharrison@lancaster.gov.uk <b>Ref:</b>

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