

### **SE13. Following the Public Pound – Falkirk Community Trust**

The committee considered a report by the Chief Executive providing an update on services provided by Falkirk Community Trust on behalf of the Council and which are reported under the following the Public Pound reporting and monitoring arrangements. The report covered the reporting periods April 2016 – March 2017 and April 2017 – June 2017 and provided performance information in regard to 32 performance indicators.

The Trust General Manager, Neil Brown, gave an overview of key services provided and high level performance.

Following questions in regard to proposals by the Trust to provide a professional pantomime in 2018 in Falkirk Town Hall, the General Manager confirmed that the driver for this was to increase income. He stated that the Trust would continue to support Falkirk Youth Theatre which traditionally staged a pantomime in the Town Hall at Christmas. This show would break even at best while a professional pantomime could generate over £10k in income. He set out the support provided by the Trust to organisations such as the Youth Theatre but reiterated that in order to meet its budget, the Trust had to reprioritise its sources and increase income. The period of notice would allow the Youth Theatre to secure an alternative location.

The committee discussed in detail the budget pressures faced by the Trust and the need for the Trust to balance its commitment and support for art groups with the need to generate income. The General Manager confirmed that the Trust was committed to local community organisations such as the Youth Theatre and to the Town Hall. Transformation was necessary and would be managed sensitively with alternative accommodation offered.

Following a question in regard to co-location of services the General Manager confirmed that options for co-location, for example of library provision, were being considered as part of the Strategic Property Review. He anticipated a reduction in funding from the Council in the region of £1.8m, which equated to 15% of services. The Trust's business plan for 2018/19 had been approved by the Board and had been submitted to the Council ahead of the Council meeting on 6 December. The business plan set out proposals to grow income by 40%.

The committee raised the recommendation of the Barclay Review which if accepted by the Scottish Government would see the Trust liable to rates. Members recalled that a key driver for establishing the Trust was because Trusts were not liable to pay rates, saving £1.3m annually. The General Manager confirmed this was the case and recognised that if the recommendations were implemented, the Trust would face a significant financial burden which would have severe implications. He explained that the Scottish Trusts Association SPORTA had highlighted the implications with the Scottish Government. It was possible that the Scottish Government could slice its funding to Local Authorities and leave it to Local Authorities to decide whether or not to pass the rates bill to Trusts or dissipate the costs across their services.

In regard to performance, members highlighted that although the number of visitors to the Helix had increased, the overall trend was downward and that the number of Kelpies tour tickets sold had decreased and sought clarification. Members also asked what the Trust proposed to maximise income at events such as fireworks displays at venues such as the Helix and Callendar House.

The General Manager gave a detailed response, stating that the Trust had a focus at securing income at 6 key sites such as the Helix. He cited the relocation of the tearoom and shop at Callendar into Callendar House as an example of innovation and stated that the Trust had to be bold in its proposals. In regard to the Kelpies, he suggested that the tours were a “one-time” event and would not generate repeat business. While it was necessary to generate income, the Trust had to balance this with the key events such as the fireworks display which attract visitors. The cost of a ticket was £5.50 compared to a similar event in North Ayrshire which cost £11. The ticket was affordable and allowed significant numbers to participate. He conceded that income generation had not been maximised – for example, at the fireworks display, approximately £2000 was raised from 32,000 spectators. He reiterated that the Trust’s social aims were important and should be balanced against its income generation aims. Members agreed but reiterated that the opportunity to maximise income had not been realised.

In regard to income generation, the General Manager remarked that previously when the service had been provided by the Council, it had been difficult to increase charges or make bold decisions in regard to service provision. A benefit of the Trust model was that the Trust could be more innovative and bold. He was mindful that there was a balance between generating income and being seen to be “chasing the money”. Members agreed, reiterating that generating income did not necessarily mean raising the price of admission.

The General Manager conceded that there were opportunities to maximise income at events such as the fireworks display without being obviously aggressive. Following a question on the ownership of the Stadium car park, the Head of Policy, Technology and Improvement stated that she would confirm this following the meeting.

In regard to visits to attractions, the committee noted that the Helix was 200,000 below target. In regard to a question whether this was down to factors such as weather, the General Manager stated that while the weather could be a factor, there was a need to increase the number of programmed events at the Helix to maintain footfall rather than rely on big events. He stated that car parking could be a problem but did not consider that Park and Ride facilities could be a solution, noting that there would be costs involved in providing such a service.

## **Decision**

**The Committee approved the report and acknowledged progress by the Trust in meeting Council’s priorities.**