

MANCHESTER CITY COUNCIL
REPORT FOR INFORMATION

COMMITTEE: ART GALLERIES

DATE: 14 FEBRUARY 2007

SUBJECT: MANCHESTER CITY GALLERIES' REVENUE
BUDGET STRATEGY AND BUSINESS PLAN
SUMMARY FOR 2007/08

REPORT OF: DIRECTOR OF MANCHESTER CITY GALLERIES
AND CITY TREASURER

PURPOSE OF REPORT:

The purpose of this report is to present the Manchester City Galleries Business Plan for the approval of the Art Galleries Committee and to report to members of the Committee the proposed budget strategy for Manchester City Galleries for 2007/08 and indicative figures for 2008/09 and 2009/10.

RECOMMENDATIONS:

Members are recommended to:

1. Approve the contents of the report, including the proposed cash limit budget for 2007/08 of £3.663M
2. Recommend the attached budget to Executive for approval as part of the Council's budget setting process

FINANCIAL CONSEQUENCES FOR THE REVENUE BUDGET:

The report seeks approval for a draft budget for Manchester City Galleries for 2007/08.

FINANCIAL CONSEQUENCES FOR THE CAPITAL BUDGET:

There are no consequences for the Capital budget in this report.

WARDS AFFECTED: City wide

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BACKGROUND DOCUMENTS: Manchester City Galleries, Cultural Services Directorate, Business Plan 2007/08-2009/10

IMPLICATIONS FOR:

Anti-Poverty	Equal Opportunities	Environment	Employment
No	No	No	No

MANCHESTER CITY GALLERIES' REVENUE BUDGET STRATEGY AND BUSINESS PLAN SUMMARY FOR 2007/08

1. INTRODUCTION TO THE SERVICE

1.1 Manchester City Galleries

Manchester City Galleries forms part of the Cultural Services Division alongside Libraries and Theatres, Sport and Leisure, Cultural Strategy, Strategic Marketing and Events and Visitor Services. The recent CPA assessment rated Cultural Services as good with promising prospects for improvement.

1.2 Aims

The service aims to use, develop and care for the City's collections, the buildings they are housed in, and the programmes they present, to:

- i) Provide a powerful educational resource for the widest range of users, both actual and virtual;
- ii) Support the understanding of the city's and the nation's heritage and identity, and engender self-esteem, mutual respect and sense of place;
- iii) Contribute to the profile and performance of the city;
- iv) Work in partnership, locally, regionally and nationally, to increase levels of participation and to deliver benefit to residents and visitors to the city.

1.3 Scope

The Department employs 120 staff and is responsible for:

- The management of 300,000+ visitors and venue hire clients per annum
- The management of 800,000+ virtual (on-line) visitors per annum
- The care, development, presentation and interpretation of the City's Designated collections of fine art, decorative arts and costume – 50,000 items
- Enhancing the department's revenue budget of £3.6M by raising 39% of the department's £5.9m expenditure from external fundraising, grants and earned income.
- The management and maintenance of 6 historic buildings. 4 are open to the public, 5 are listed, and 5 are based in parks:

Manchester Art Gallery

Heaton Hall, Heaton Park, Prestwich (in partnership with Leisure Services)

Platt Hall, Platt Fields, Rusholme

Wythenshawe Hall, Wythenshawe Park

Conservation Studio, Harpurhey

The Old Parsonage, Fletcher Moss Gardens, Didsbury

- The Department is also responsible for the City's War Memorials and many pieces of public art.
- In addition to displaying items from the collections for the public's enjoyment and inspiration, the Department also brings the best in contemporary and historic art and design to the city via temporary exhibitions. It provides a comprehensive education service, from early years to older people, working closely with the City's Education Department, and delivers an outreach programme in association with the Culture and Regeneration Officers across the city and other agencies working in areas such as Health.

1.4 Current Performance

Top Level Visitor Numbers			
	2004/5	2005/06	2006/7
Attendances	actual	actual	target
Manchester Art Gallery: all visits	287,031	267,208	262,000
MAG: visits by BME, C2DE, disabled visitors	45,924	57,659	70,410
MAG: school pupil visits (5-16 yrs)	15,459	27,554	27,000*
Informal Learning Contacts	11,289	12,923	16,000
Heaton Hall: all visits	31,414	45,307	45,900
Platt Hall - Gallery of Costume: all visits	6,093	6,452	6,340
Wythenshawe Hall: all visits	3,647	1,809	3,720
Web visits/usages	442,468	821,960	734,910
*Target set by DCMS			

1.5 Commentary on performance

- Actual total visitors to Manchester Art Gallery in 2006/07 are set to exceed the 06/07 target, which was set in 2004/05 for the R in R business plan.
- 97% of all visitors to Manchester Art Gallery are very or quite satisfied
- BME visits have grown in quantity and as a proportion of the total number of visitors to Manchester Art Gallery
- Education and Learning: formal education visits to Manchester galleries have grown exponentially since the gallery's re-opening in 2002 almost quadrupling in the period. This service has reached capacity in staffing and facilities and is now exploring new ways of meeting demand
- Web visits continue to grow and launch of new galleries' website in 2006/07 will support this growth

1.6 Partnership working

Manchester City Galleries is the lead partner of the North West Hub, which delivers *Renaissance in the Regions* (R in R) in partnership with five other regional museums and galleries. R in R is a national funding programme aimed at transforming the work of regional museums, managed by the Museums, Libraries and Archives Council. Its focus is on increasing access and as part of the NW Hub, Manchester City Galleries is working to meet targets related to: -

- Education
- Overall visits
- Visits from non-traditional gallery goers

All these target groups fit with the City Council's priorities. A second round of funding began in 2006/07 and runs for 2 years. From regional allocations of £1.7M in 2006/07 and £3.9M in 2007/08, the city overall will receive £3.5M, of which the City Galleries will receive £2M. Funding allocations for 2008/09 onwards will be determined as part of the current Comprehensive Spending Review.

Manchester City Galleries work closely with the other major Accredited museums with Designated collections in the city: Manchester Museum and the Whitworth Art Gallery, which are managed by the University of Manchester, the Museum of Science and Industry, and the People's History Museum, which are independent trusts. The City Galleries Department leads the Manchester Museum's Consortium, which brings together these organisations to work for the benefit of the city. Together these institutions welcome over 1 million visitors per year.

Manchester City Galleries enjoys a range of external funding relationships. In 2005/06, 39% of the department's budget came from sources such as the Renaissance in the Regions programme as well as income from trading, sponsorship, grant giving trusts and other supporting charities.

Manchester Art Gallery in particular enjoys good support from the business community through its corporate patrons scheme and corporate hire of the venue.

2. HOW THE SERVICE LINKS TO CORPORATE OBJECTIVES

Manchester City Galleries service contributes to Council core aims under three spines: -

2.1 To enable people to reach their full potential through education and employment

- Meeting overall Learning targets by: -
 - *Every Child Matters* – Developing education services across the city in relation to user needs and wants, building on existing good practice and evidence of Primary Consultant post, which has supported accelerated attainment in literacy at key stage 2 in 41 Manchester primary schools.
 - Developing secondary programme to improve and sustain relationships with secondary schools and contribute to educational attainment.
 - Developing programme to co-ordinate initial teacher training and CPD.
 - Developing Manchester Museums Consortium programme for Extended Schools
- Contributing to delivery of the Oxford Road corridor and *Knowledge Capital* prospectus by developing ways of engaging collections with teaching and research in Higher Education in order to increase public and HE access to the collections.
- Leading the Museums and Galleries' sector in Manchester to deliver the City's agenda and leading the sector in the region, in partnership with MLA NW, to deliver the national agenda
- Meeting BVPI target by developing Online Services.
- Working with Cultural Services to develop a Cultural Entitlement programme
- Providing inspiration and learning to a wide range of residents and visitors' to the city
- Developing a high profile, original modern cultural offer that contributes to the reputation and economic growth of the city and supports inward investment and employment opportunities

2.2 To enable individual and collective self-esteem and mutual respect

- Meeting Cultural Strategy, Renaissance in the Regions and BVPI attendance targets by:
 - Successfully implementing 06-08 audience development strategy
 - Successfully implementing community consultation policy and plan
 - Effectively collaborating with other Cultural Services departments
 - Supporting delivery of original modern brand
 - Attaining Chartermark
- Contributing to the *Respect* agenda by delivering a programme of exhibitions, activities and events that encourage the development of identity and self-esteem and contribute to social and community cohesion
- Continuing delivery of war memorials and public art programme to improve quality of environment and contribute to *Valuing Older People* agenda

2.3 To develop neighbourhoods of choice

- Supporting the development of Neighbourhoods of Choice by:
 - Continuing work with schools in every Manchester ward
 - Continuing delivery of War Memorials and Public Art programme to improve quality of environment
 - Working strategically with Manchester Leisure and Hospitality and Trading Services to co-ordinate management of buildings in parks to increase levels of usage
 - To work with Cultural Services, Capital Programmes and Property & Valuation to ensure effective management of the property portfolio and historic buildings
 - To work with Cultural Services and other council departments to deliver cost-effective facilities management

3. BUSINESS PLAN OBJECTIVES FOR 2007/08

3.1 Introduction

The priority business plan objective during the period is to achieve targets for the number of schools, residents and businesses who participate in and benefit from Manchester City Galleries' facilities, collections, programme of exhibitions, events and activities.

Top Level Visitor Targets			
	2007/8	2008/09	2009/10
Attendances			
Manchester Art Gallery: all visits	310,000	320,000	330,000
MAG: visits by BME, C2DE, disabled visitors	76,033	78,313	80,764
MAG: school visits (5-16 yrs)	27,000	27,000	27,000
Heaton Hall: all visits	45,000	45,000	45,000
Informal Learning Contacts	17,100	18,300	19,600
Gallery of Costume: all visits	6,500	7,000	7,500
Wythenshawe Hall: all visits	4,400	5,000	10,500
Web visits/usages	1,300,000	1,400,000	1,500,000
*Target set by DCMS			

3.2 Commentary on targets

- Manchester Art Gallery visitor targets are to grow by 10,000 per annum over the life of this plan
- Visits by BME, C2DE and Disabled visitors are to increase in number but the proportion of overall visitor numbers remains static

- School visits to Manchester Art Gallery are at capacity for existing resources of building, sessions during term time and staff resources – performance indicator targets in this plan have been set to reflect this. Informal Learning Contacts, continue to grow with a projected increase of 7% year on year for the plan
- Modest improvements in attendances are planned for the historic houses in parks. Increases in visitor numbers at Wythenshawe Hall are expected, due to the appointment of a Development Officer for Wythenshawe Hall funded by the Heritage Lottery Fund
- Web visits: the predicted increase in the use of the Internet suggests that web visits will go on increasing at a significant rate over the life of the plan. The completion of the collection's database by August 07 and the development of new content will further contribute to use

3.3 Our Services: Manchester Improvement Programme Responsibilities

- Continuing to implement and develop SAP systems in order to improve performance management. (financial management, procurement, contract renegotiations)
- Contributing to delivery of CPA action plan re: Cultural Services joint working e.g. Audience Development and Accreditation
- Delivering improvements in asset management in order to meet national standards of collections care and accreditation requirements
- Embedding the departmental restructure via internal MORI survey and IIP and monitoring morale and visitor satisfaction surveys

3.4 Our Council – Capacity

- Meeting income targets in order to continue to deliver a high quality service
- Maintaining leadership role in the delivery of Renaissance in the Regions via the North West Hub and Manchester Museums' Consortium in order to meet DCMS targets, deliver the City's agenda with partners and achieve new resources for the programme
- Re-negotiation of major contracts for services to improve 'value for money' e.g. cleaning and catering
- Enable staff to meet new agendas through effective work force planning, training and development

3.5 Summary

This report sets out performance to date in 06/07 and Manchester City Galleries' objectives for the next 3 years, with specific focus on 07/08. It demonstrates the department's contribution to the 3 spines in the Community Strategy. The Art Gallery Committee is requested to approve the report.

4. FINANCIAL PLAN

4.1 Proposed Financial Plan

Objective / Budget Headline	Current Cash Limit Revenue Budget (1)		Proposed Gross Cash Limit Revenue Budgets (2)			Budget Funding (3)	Budget Funding (3)		
	Gross	Net	2007/8	2008/9	2009/10	Source	2007/ 8	2008/9	2009/10
Collections and Assets	1,242	1,063	1,290	1,229	1,263	NRF Grant Funding Mainstream	22 146 1,112	22 124 1,075	22 126 1,107
Services	2,189	1,814	2,210	2,328	2,359	Earned Income Specific Grant Mainstream	362 51 1,798	370 52 1,901	377 53 1,924
Programmes	764	498	831	833	861	NRF Earned Income Specific Grant Mainstream	243 7 29 552	243 7 30 548	243 7 31 575
Development	353	(229)	412	420	428	Earned	312	319	326

						Income Grants	187	190	195
						Fundraising Mainstream	128 -215	130 -218	134 -227
RinR MCG Allocation	304	0	534	518	529	Renaissance in the regions Mainstream	534	518	529
RinR Regional	610	0	624	638	652	Renaissance in the regions	624	638	652
Finance and Business Services	321	321	275	294	302	Mainstream	275	294	302
Executive	125	125	141	145	148	Mainstream	141	145	148
Totals (4)	5,908	3,592	6,317	6,405	6,542		3,663	3,745	3,829
			Total Mainstream Funding Required (5)(6)				3,663	3,745	3,829

- Notes:** (1) For each Objective / Budget Headline the Gross and Net Revenue Budget should be shown. The net budget for the business plan should equal the agreed business plan cash limit.
- (2) This should show the gross requested revenue spend on each Objective/Budget Head line irrespective of where the funding is anticipated
- (3) For each Objective / Budget Headline the source and totals of all funding should be analysed including the call on the Council's mainstream revenue budget
- (4) For each year, total funding should equal total Gross Cash Limit spend
- (5) This should be the total of the items identified above as requiring mainstream funding and should equal the cash limit targets set for the business plan.
- (6) As part of the Corporate requirements to make efficiency savings, the proposal to reduce the Art Galleries' budget by £10,000 in 2007/08 is subject to approval by Executive Committee, and will take the total mainstream funding required down to £3,663M.