

**Manchester City Council
Report for Resolution**

Report to: Art Galleries Committee – 15 February 2012
Subject: Manchester City Galleries' Vision and Revenue Budget 2012/13
Report of: Director of Manchester City Galleries and City Treasurer

Summary

The purpose of this report is to present Manchester City Galleries' draft revenue budget and business planning priorities for 2012/13 for the approval of Art Galleries Committee.

Recommendations

Members are recommended to:

1. Approve the contents of the report, including the proposed cash limit budget for 2012/13 of £3,466,000.
 2. Recommend the attached budget to Executive for approval as part of the Council's budget setting process.
 3. Delegate authority to the Chief Executive and City Treasurer to make any technical adjustments required to take account of the impact of changes in 2011/12 and 2012/13 budgets.
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Wards Affected: All

Community Strategy Spine	Summary of the contribution to the strategy
Performance of the economy of the region and sub region	This report sets out proposals for the delivery of a balanced budget for 12/13, pending finalisation of the contribution from Arts Council England.
Reaching full potential in education and employment	The service, along with all others in the directorate, aims to support individuals, families and communities achieve best outcomes.
Individual and collective self esteem – mutual respect	Individual respect and community resilience is a key theme within the Neighbourhood Focus Strategy to which City Galleries contributes.

Neighbourhoods of Choice	Creating sustainable neighbourhoods where people want to live, work and to stay as they become more economically independent is key to Neighbourhood Services' budget strategy, towards which this budget contributes.
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Financial Consequences – Revenue and Capital

The proposals set out in this report form part of the draft budget submitted to the Executive and Council.

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

Neighbourhood Services' Business Plan, 2012/13 (in preparation)

1.0 Introduction

Background

The Galleries service was incorporated within the Community and Cultural Services (CCS) division of Neighbourhood Services in 2011/12. In the same year, Manchester City Council entered into a strategic partnership with the University of Manchester, leading to the appointment of Dr Maria Balshaw as Director of both Manchester City Galleries and Whitworth Art Gallery.

In January 2012, the partnership (Manchester City Galleries, Whitworth Art Gallery and The Manchester Museum) received confirmation of three year's major grant funding from Arts Council England (ACE), making them one of only 16 major museum partners across the country. The exact amount of the award will be finalised as part of the negotiations of the funding agreements over the next two months. It represents a significant and vital investment in Manchester's major museum and galleries, going some way towards replacing funding previously received from the former Museums Libraries and Archives Council through the Renaissance in the Regions initiative.

Further benefits of the partnership will be realised during 2012/13, as opportunities for synergy, shared services/posts and cross-organisational working are implemented.

2.0 Budget overview

The incorporation of Galleries into CCS delivered almost £200k of savings from integrated management. A further £50k has been delivered in 2011/12, through efficiencies within the overall staffing. £50k is also targeted for 2012/13.

These savings will be delivered despite the reduced grant income anticipated for Galleries from 2012/13 onwards: even the maximum award from ACE (unlikely) will result in a reduction of £312k per annum across the three partnership venues.

3.0 The vision

The City and University are committed to working together to deliver a service that is community focused but also develops the city's reputation as a centre of cultural excellence and national/international cultural tourism destination.

A shared artistic vision will transform the importance of Manchester's great art venues, co-ordinating their strengths and using their pull to attract artists of the highest international standing to the city. The services will work together to develop exhibitions, learning and engagement programmes, marketing campaigns and commercial projects on a scale unachievable alone.

Core and ACE funding in combination will facilitate the development of:

- city-wide learning programmes, using Manchester's remarkable collections, focused particularly on engaging families and older people and building on distinctive strengths such as arts and health and volunteering
- an international exhibitions programme, building on each organisations' distinctive strengths, bringing these together for the benefit of visitors
- shared approaches to promoting cultural tourism, retail, environmental sustainability and fundraising to make all three organisations financially resilient.

What will this mean?

In 2012

- We will present a major exhibition of contemporary art from West Africa in Manchester Art Gallery, Whitworth Art Gallery, Platt Hall and public spaces and partner institutions across the city, as part of the Cultural Festival for the Olympics.
- We will maximise the benefits of major grant funding from ACE, to establish the strongest regional consortium of museums in the UK and offer support to venues across the region.
- We will deliver a high profile programme of volunteering opportunities, funded by a grant from HLF's Your Heritage programme, to support socially inclusive volunteering across all venues and contribute to reducing worklessness.
- We will establish joint marketing and learning programmes, joint funding bids, joint 'Manchester' acquisitions and joined-up approaches to public and private philanthropy and corporate support.

By 2015

- Working across the city, we will present work by internationally recognised artists and exhibitions, drawing on the strength of the city's historic fine and decorative arts and focusing on what delights and attracts visitors.
- We will share collections, placing them where they will be best used and enjoyed.
- We will support a comprehensive cultural learning programme – formal and informal – that engages people from 0-90.
- We will have revitalised Platt Hall as one of the loveliest small houses with a collection in a Manchester Park, maximising the benefits of infrastructural investment to date.

4. Key Policies and Considerations

(a) Equal Opportunities

The service is committed to equality of access – both physical and intellectual. Our vision for 2012/13 and beyond includes consulting and engaging with the widest possible audiences. We will also deliver a programme of socially inclusive volunteering opportunities across all venues.

(b) Risk Management

Risk management implications are examined in the Neighbourhood Services Business Plan, currently under development

(c) Legal Considerations

None identified.

Service Analysis	Current (2011/12) Cash Limit Revenue Gross £000	Net £000	Proposed Gross Cash Limit Revenue Budgets 2012/13 £000	2013/14 £000	2014/15 £000	Budget Funding Source	Proposed Gross Cash Limit Revenue Budgets 2012/13 £000	2013/14 £000	2014/15 £000	New Capital Investment Required (Y/N)
Mainstream :										
Fund Raising & Development	200	34	144	144	144	Mainstream	34	34	34	N
						Contribution - Trust	89	89	89	
						Contribution - ACE	21	21	21	
Finance & Business Services	178	178	178	178	178	Mainstream	178	178	178	N
Services	2,856	1,908	2,638	2,638	2,638	Mainstream	1,908	1,908	1,908	N
						Contribution - Trust	35	35	35	
						Contribution - ACE	155	155	155	
						External Income	540	540	540	
Asset Management & Development	1,035	996	1,020	1,020	1,020	Mainstream	996	996	996	N
						Contribution - Trust	16	16	16	
						Contribution - ACE	8	8	8	
Programmes	1,220	400	944	724	724	Mainstream	400	400	400	N
						Contribution - Trust	310	210	210	
						Contribution - ACE	86	86	86	
						External Income	120	0	0	
						Internal	28	28	28	
Business Plan Savings			-50	-50	-50	Mainstream	-50	-50	-50	N
Total Galleries	5,489	3,516	4,874	4,654	4,654		4,874	4,654	4,654	

Service Analysis	Current (2011/12) Cash Limit Revenue Gross £000	Net £000	Proposed Gross Cash Limit Revenue Budgets 2012/13 £000	2013/14 £000	2014/15 £000	Budget Funding Source	Proposed Gross Cash Limit Revenue Budgets 2012/13 £000	2013/14 £000	2014/15 £000	New Capital Investment Required (Y/N)
Totals	Total Mainstream Funding Required					Mainstream	3,466	3,466	3,466	
						Totals:				
						External Income	660	540	540	
						Internal Income	28	28	28	
						Contribution - Trust	450	350	350	
						Contribution - ACE	270	270	270	
						Internal Recharges	0	0	0	
						Mainstream:	3,466	3,466	3,466	
						Totals:	4,874	4,654	4,654	