



CABINET AS TRUSTEES OF BLACKWOOD MINERS INSTITUTE – 19TH JULY 2017

**SUBJECT: BLACKWOOD MINERS' INSTITUTE PROGRESS REPORT AND
UPDATE ON 2017/2018 BUDGET**

REPORT BY: CORPORATE DIRECTOR COMMUNITIES

1. PURPOSE OF REPORT

- 1.1 To inform Cabinet as Trustees of the Blackwood Miners' Institute on progress of the operational activities and budget provision for the financial year ahead 2017/2018.

2. SUMMARY

- 2.1 Blackwood Miners' Institute was conveyed as a charitable trust to Islwyn Borough Council, (and subsequently to Caerphilly County Borough Council), and was registered as a charity on 13th November 1990.
- 2.2 The local authority, acting as sole corporate trustee has a legal duty to operate the charity in accordance with the governing document, and has a legal obligation to account for the charity's finances in accordance with the Charity Act 2011.
- 2.3 The annual report and statement of accounts for the year ended 31 March 2016 were presented in a report to Cabinet as Trustees of Blackwood Miners' Institute on January 18th 2017.
- 2.4 The purpose of this report is to update the Cabinet as Trustees of Blackwood Miners Institute on the budget provision for the financial year 2017/2018 and to update on operational activities currently under way and planned for the current financial period.

3. LINKS TO STRATEGY

- 3.1 The purpose of this report is to act as Trustee of the Blackwood Miners' Institute and in that capacity to consider all matters in connection with the management, use and development of the Institute in accordance with the provisions of the Trust Deed.
- 3.2 Arts Council for Wales' vision is a creative Wales where the Arts are central to the life of a nation.
- 3.3 Culture and Arts are key elements in the Council's Regeneration Strategy in Regenerating Communities and Raising Aspirations.
- 3.4 Increasing visitor numbers to the County Borough is an objective in the Council's Single Integrated Plan's vision for a Prosperous Caerphilly.

4. THE REPORT

- 4.1 Blackwood Miners' Institute was conveyed as a charitable trust to Islwyn Borough Council, and (subsequently to Caerphilly County Borough Council) in 1990. The objectives of the charity are set out in the Trust Deed dated 15th October 1990.
- 4.2 The purpose of the charity is set out in the Trust Deed and includes the following:
- To promote, improve, develop, maintain and advance public awareness and participation in, and encourage an appreciation of the art and science of, music, dance, drama, literature and the visual arts.
 - To promote, through appropriate activities, the education and training, mental and spiritual capacities of people who are unemployed, young people and pre-school children.
 - To educate the public in the geography, history and architecture of the area and sets out the Institute's responsibility in safeguarding against drug and alcohol abuse.
- 4.3 Blackwood Miners' Institute was registered as a charity with the Charity Commission (registered as Blackwood Arts Centre) on 13th November 1990.
- 4.4 Local authorities are empowered by Section 139 of the Local Government Act 1972 to receive and hold gifts on charitable trusts. The local authority is currently the sole corporate trustee for this charity.
- 4.5 The Council as sole trustee has a legal duty to operate the charity in accordance with the charity's Trust Deed and strictly in furtherance of its stated objects. The Council as trustee also has a legal obligation to account for and report on the charity separately and in accordance of the Charities Act 2011. All charities must produce annual statements of accounts under charity law.
- 4.6 The Annual report and Statement of Accounts for Blackwood Miners' Institute for 2014/2015 and 2015/2016 financial years were appended to the report that was approved by Cabinet as Trustees on 18 January 2017.
- 4.7 Caerphilly County Borough Council provides annual financial subsidy to the Blackwood Miners' Institute as revenue budget, which has been reducing in recent years from £365,279 in 2013/2014 to £313,415 for the forthcoming year 2017/2018. The gross operating cost budget of the BMI is £745,208 and the Authority's current revenue budget subsidy represents 42% of the running costs after taking into account self-generated income of £431,794 from admissions, room hire, trading accounts and grant income. Blackwood Miners Institute employs 8.4 Full Time Equivalent staff with an employee budget of £332,902. An abbreviated breakdown of income and expenditure for 2017/2018 is provided in Appendix 1
- 4.8 As part of the Council's ongoing Medium Term Financial Plan (MTFP) there is pressure to continue to reduce the annual subsidy that the Authority provides and staff are working towards identifying how this can be achieved. Whilst the MTFP is not a matter for consideration by Cabinet as Trustee a further report on the findings will be presented to the Trustee in due course.
- 4.9 The Arts Council of Wales included Blackwood Miners' Institute as part of its Portfolio of Revenue Funded Organisations in 2016/2017, providing an annual grant of £129,375 to allow the development of an artistic programme in areas of challenge such as 'drama, dance and non-commercial music' and to support local artist opportunities through co-production work.
- 4.10 The Arts Council of Wales monitor their Portfolio clients and they have identified potential reductions in local authority support as a risk. The Arts Council of Wales have recognised that arts and cultural venues face a challenging environment in the future and they have engaged a number of freelance consultants to work on their behalf to support their Portfolio clients through a 'Resilience' programme.

- 4.11 Staff at Blackwood Miners' Institute are continuing to work hard to increase income by attracting new audiences and increasing seating occupancy that can attract secondary spend on bar and confectionary sales.

Year	BMI attendance	BMI Net Budget	Average Cost Per Visitor Subsidy	Year on Year Reduction in Subsidy Per Visitor
2013/2014	25,021	£365,279	£14.60	
2014/2015	30,558	£306,196	£10.02	-£4.58
2015/2016	31,545	£296,449	£9.40	-£0.62
2016/2017	33,209	£302,768	£9.12	-£0.28

The objective for 2017/2018 is to continue to increase BMI's overall attendance and in doing so further reduce the average visitor subsidy against the current annual net budget of £313,415.

For example, increasing BMI's overall attendance to 35,000 in 2017/2018 could reduce the cost per visitor subsidy by £0.17 to £8.95 per visitor. It is estimated that for every additional 1000 increase in overall attendance the cost per visitor subsidy would reduce by approximately £0.25 per visitor.

- 4.12 The annual programme staged at Blackwood Miners' Institute consists of approximately 200 shows and events. Over the financial year 2016/2017 a total of 33,209 people attended shows over the course of the programme, a 5% increase over the previous year (31,545). Some of the shows planned for 2017/2018 include:

- Annual Pantomime - Jack and the Beanstalk
- The Mountain Top
- Not About Heroes
- Tiddly Prom
- Project Oggbot
- Shakespeare School's festival.
- One Man Two Guvnors - Touring co-production that will be touring across Wales
- CCBC Dance Showcase again supporting Head 4 Arts with their community project

Outside of the main 'programme', Blackwood Miners' Institute is also a venue for a number of other activities including the hosting of workshops as part of the Welsh International Film Documentary Festival, hosting rehearsals for the Caerphilly County Youth Theatre, staging the Community Dance showcase and supporting a number of community performances by groups such as Blackwood Musical Theatre Society, Caerphilly Male Voice Choir, Cefn Hengoed Ladies Choir, Markham Band, Mynyddislwyn Male Choir and Risca Male Voice Choir.

5. EQUALITIES IMPLICATIONS

- 5.1 This report is for information purposes, so the Council's EqIA process does not need to be applied.

6. FINANCIAL IMPLICATIONS

- 6.1 The current level of financial subsidy provision from the Council has been set in line with the agreed Council provision for wage and consumer inflation. The ongoing MTFP will identify further savings targets for Blackwood Miners Institute and as part of the ongoing review of BMI as part of the Councils Improving Services Programme and the findings and recommendations will be presented to Cabinet as Trustee upon completion.

7. PERSONNEL IMPLICATIONS

7.1 There are no personnel implications from this report.

8. CONSULTATIONS

8.1 The comments from consultees have been included in this report.

9. RECOMMENDATIONS

9.1 That Cabinet as Trustees of Blackwood Miners' Institute note the information set out in the report.

10. REASONS FOR THE RECOMMENDATIONS

10.1 In order for the local authority to account and report on the charity in accordance with the requirements of the Charity Act 2011.

11. STATUTORY POWER

11.1 Charities Act 2011 and Local Government Act 1972.

Author: Paul Hudson, Destination & Events Manager
Consultees: Cllr S Morgan, Cabinet Member – Economy, Infrastructure, Sustainability and Wellbeing and Future Generations Champion
Christina Harry, Corporate Director Communities
Dave Whetter, Interim Head of Regeneration
Steve Harris, Interim Head of Corporate Finance
Lisa Lane, Corporate Solicitor
Marina Newth, Deputy Theatre Manager
Mike Eedy, Finance Manager
Veronica Simmonds, Finance Technician

Appendices:

Appendix 1 Blackwood Miners' Institute 2017/2018 Budget Summary