

Neath Port Talbot County Borough Council

Policy and Resources Cabinet Board

Report of the Head of Financial Services – David Rees

24th January 2018

Matter for Decision

Wards Affected – All

Income Generation Margam Park and Princess Theatre

Purpose of the report

1. To seek approval to transfer £100k over the next 3 financial years from the Income Generation Reserve to the Princess Royal Theatre budget to part fund the establishment of a Marketing and Promotion Team that will serve Margam Park, the Orangery and the Princess Royal Theatre for a three year period.

Executive Summary

2. During 2016 £200k was set aside to fund work to significantly increase income generating including potentially Margam Park, the Orangery and the Princess Royal Theatre. This money was transferred to the Income Generation Reserve, to fund the 'up-front' costs of proposals to generate increased income for NPT. The quarter 3 budget monitoring report contains a proposal to further boost the value of this reserve by £550k to give a total of £750k to help finance income generation proposals.
3. In November 2017, the Education, Skills and Culture Cabinet Board approved the Director of Education, Leisure and Lifelong Learning's Business Plan for Margam Country Park. This plan included a proposal to set up a Marketing and Promotion Team to serve Margam Park, the Orangery and the Princess Royal Theatre. The report before you today seeks approval to transfer half of the money that was originally set aside i.e. £100k, to fund a marketing post in that team for a three year period.

Background

4. During 2015/16 and following work carried out between officers of Finance and the ELLL Directorate a reserve of £200k was established to fund 'start up' costs for increased income including improved marketing and promotion of Margam Park, the Orangery and the Princess Royal Theatre.
5. The £200k detailed above remains in the reserve and whilst the level and use of the Income Generation Reserve is now monitored by the Income Generation Working Group, approval to spend funds from this reserve has to be given by the Policy and Resources Cabinet Board. This report requests approval to use half of the original sum i.e. £100k to fund a marketing post in the Marketing and Promotion Team for a period of three years.
6. The Margam Park Business Plan lays out the plans for increased income generation. However in order to achieve the desired levels of income, the role of a marketing officer as detailed in the plan is key. This funding of £100k will enable the post to be established for a three year period meaning all additional income generated to the Council will help towards achievement of the Forward Financial Plan (FFP). At the end of the three period any ongoing costs of the Marketing and Promotion Team will be met from the Margam Park and Princess Royal Theatre budgets.
7. The Margam Park Business Plan states its aim is to 'generate significant year on year increased income for these venues' which meets the criteria for use of the reserve. It is currently estimated that this year on year increase in income for the Margam Park, Orangery and the Princess Royal Theatre will be £90k in year 1, an additional £85k in year 2 and then a further £90k in year 3.
8. As such it is recommended that members approve the transfer of £100k from the Income Generation Reserve to fund the cost of a marketing post within ELLL to work on Margam Park, the Orangery and the Princess Royal Theatre.

Financial Impact

9. Transfer of £100k from the Income Generation Reserve to the Princess Royal Theatre budget.

Equality Impact Assessment

10. An equality impact assessment was not required for this report.

Workforce Impacts

11. A new post will be created on a fixed term basis.

Legal Impacts

12. There are no legal impacts arising from this report.

Risk Management

13. There is a risk that the anticipated levels of increased income will not be achieved.

Consultation

14. There is no requirement under the Constitution for external consultation on this item.

Recommendation

15. It is recommended that Members approve the transfer of £100k over the next 3 years from the Income Generation Reserve to the Princess Royal Theatre budget.

Reason for Proposed Decision

16. To fund a post for three years in the Marketing and Promotion Team.

Implementation of Decision

17. The decision is proposed for implementation after the 3 day call in period.

Appendices

18. None

List of Background Papers

None

Officer Contact

Mr David Rees – Head of Financial Services

Tel. No. - 01639 763634

E-mail - d.rees1@npt.gov.uk