EXECUTIVE						
DATE:	20 TH JANUARY 2003					
SUBJECT:	BUTE STREET ARTS AND MEDIA CENTRE (ARTEZIUM)					
REPORT BY:	HEAD OF LEISURE, LIBRARIES AND CULTURE					
CONTACT OFFICER:	DAVE	DAVE SUTTON 01582 546700				
IMPLICATIONS:						
LEGAL	STAFFING					
EQUALITIES		COMMUNITY SAFETY				
FINANCIAL		RISKS				
OTHER						
CONSULTATIONS:						
COUNCILLORS CONSULTED		\square	SCRUTINY COMMITTEE CONSULTED		M	
STAKEHOLDERS CONSULTED		Ø	OTHER			
WARDS AFFECTED: ALL						
LEAD EXECUTIVE MEMBER(S):		COUNCILLOR SIMMONS				

RECOMMENDATION(S)

Executive is recommended to:

- i) Agree that the facility is initially run by the Council for a period of one or two years whilst the option of establishing an independent Trust to run the facility is considered.
- ii) Agree the broad thrust of suggested programme and vision.
- iii) Subject to the out come of the growth bid, that a further report be presented on the financial position.
- iv) Give approval to commence the process to appoint a Director for the facility, to be funded from the Eastern Arts Board grant, on a two year fixed term contract commencing in April 2003.

v) Instruct officers to monitor the situation and report back if further action is necessary.

REPORT

- 2. Members are aware that the Artezium has been in Administration for some 2.5 years, although the Council regained possession of the building in November 2001. During the intervening period, usage of the facility has necessarily been kept to a minimum whilst the building works have been carried out in order that it is 'fit for purpose'. These works are scheduled for completion in April 2003.
- 3. A Steering Group, comprising of key stakeholders, arts organisations and members (chaired by the Deputy Leader) has met on many occasions during the past year to consider the options for the way forward and future of the building. This group has guided the consultants from Junction Exports, who have been employed to consider all implications and to recommend the options for the ongoing operation of the Artezium to the Council.
- 4. Paul Bogen, from junction Exports, will be present at the meeting on 20th January 2003 to present the findings from his investigations to date to the Executive.
- 5. Despite an unfortunate recent history, the Arts facility in Bute Street has an exciting potential to be a major resource for the town, acting as a high profile hub for artistic talent and community involvement. It is seen as one of the best opportunities to achieve something to be proud of in our cultural provision, a key facility to promote Vision 2010 and a focal point for community activity. Although not open as a public facility, some of the activities that have been happening within the building since June 2002 demonstrate its huge potential particularly for youth activities. These have included:
 - i.) Youth Association funded by Bedfordshire and Luton Education Business Partnership (BLEBP)
 - ii) A busy attendance by youngsters on the SNAP programme (an SRB funded photography course for underprivileged youth run by 33 Arts Trust)
 - iii.) A recording project under the Excellence In Luton scheme whereby school children have used the recording studio under tuition (culminating in the production of a 'Rap CD')
 - iv.) Acting as an Incubator Unit for a talented group of local filmmakers (Filmstock) – who ran filmmaking workshops and are now making a film on the history of the Bute Street building.
 - v.) 15 successful events co-ordinated by African Caribbean Arena for Black History Month
 - vi.) Dance Workshops by various local dance teachers in contemporary, Jazz and Street dance styles.
 - vii.) Regional Carnival Conference with presentation from the Arts Council of England Carnival Officer – Pax Nindi.
 - viii.) Sustrans Presentation

- ix.) TURF Exhibition Local young talent exhibiting work alongside two Russian artists.
- x.) Filmstock Exhibition film screening.
- xi.) Eastern Touring Agency (ETA), Diversity Programme and Arts and Business hosted support surgeries for local arts groups/companies.
- xii.) Screen East New Voices training.
- xiii.) Luton Image Project Ambassadors meeting.
- xiv.) Anglia TV filmed Carnival Arts Development Trust at the venue.
- xv.) Diverse FM Luton Lives community Radio broadcast for one month from the building.
- 6. There have been many enquiries for national and regional events and activities in the future and there is no doubt that some areas of the building could be filled many times over at peak times, (albeit that this does not produce massive income streams).
- 7. There is also tremendous interest in the future of the building from local arts and community groups, many of whom have participated in the consultation processes which have been undertaken over the past year through Junction Exports consultants.
- 8. The main recommendations from the Consultants report are listed below:
 - i.) That the facility is initially run by the Council, as an independent cost centre, for a period of one or two years. During this period, the option of establishing an independent Trust to run the facility will be considered.
 - ii.) That the centre is re-named '**The Hat Factory**' with a vision statement of: 'THE HAT FACTORY – creating space for the imagination in Luton'.
 - iii.) That the Council appoints a Director to deliver a Business Plan, lead the new staff team, to promote the centre regionally and to bring in additional funding. (this will be a requirement from East England Arts who have allocated £100k to the programming of the centre in 2003/4 with a proviso that a Director is appointed as part of this process).
 - iv.) That a re-launch implementation plan be approved for the period December 2002 – September 2003. This will involve a minor programme only from January – April 2003, an interim programme from April – September 2003 and a major re-launch in September 2003.
- 9. The consultant at the meeting will also expand upon recommendations in respect of Artistic options and Vision; the Programme; Aims and Objectives; the Structure and Management Group; Financial Planning; Communications and Implementation.
- 10. In respect of the financial position, there are various sources of capital funding already within existing budgets to enable the building to be brought up to standard to be 'fit for purpose'. Insofar as ongoing revenue support is concerned, however, it is clear that there is a shortfall. In the consultants report (December 2002) this was

identified as being between £80k - £130k pa. This is mainly because there is a NNDR burden of £50k to the Council and other extra costs which would not apply to a Trust. Options have been explored in order to meet this shortfall and it is now estimated that the deficit will be approximately £20k in the first year. It is not possible to be precise with the financial projections but a growth bid has been submitted to address this.

11. Detailed analysis leading to the above recommendations will be available in the consultants report and from his presentation on the evening.

OPTIONS

 The Council could seek ways to further reduce expenditure and increase income in order to meet the current projected shortfall in revenue funding. The Council could increase funding to the estimated level required. The Council could take no specific action at this stage.

FINANCIAL IMPLICATIONS.

13. Should the Council decide to inject additional funds in order to meet the projected shortfall, there is an additional revenue requirement of £20k. A 'growth bid' has been submitted for 2003/4 and is awaiting consideration. The Finance Manager, Lifelong Learning, has agreed these financial implications 7th January 2003.

<u>RISKS</u>

14. The budget assumes grants from Eastern Arts of in excess of £100k per annum. The Council must demonstrate its active support of the centre, in financial as well as non-financial terms, in order to maintain this funding. Without it, the cost to the Council would increase significantly. There is also a risk the external bodies that have already injected funds into the facility will pursue the Council for repayment if the building is not used as an Arts facility.

APPENDIX

15. None

BACKGROUND PAPERS

16. Junction Exports consultants report – December 2002