

Scottish Borders Council

BRIEFING TO TWEEDDALE AREA FORUM ON PROPOSAL TO TRANSFER COMMUNITY SERVICES TO A TRUST

Introduction

On 27th February Scottish Borders Council approved a recommendation that its preferred course of action for Community Services was to transfer from direct Council provision to delivery via a charitable Trust. Officers were charged with developing the business case, an implementation model for the Trust and undertaking further consultation on the proposal before returning to the Council in Autumn for a final decision.

The Services currently in scope for transfer to a Culture Trust are

- Libraries and Information Services
- Museums and Galleries Service
- Archives and Local History Services
- Arts Development
- Heart of Hawick
- Public Halls
- Community Centres
- The Administrative team that provides support for all these services

Cultural Services' overall budget is £4.8m and we employ c. 210 people, many on part-time contracts. The way we work just now is local delivery from local sites. That means the Services have a presence in each of the Scottish Borders towns and contribute to the local economy and local community and cultural life.

Why are we proposing to transfer these services to a Culture Trust?

The Council has been looking at options for delivery of Cultural Services and associated budget savings of over £400,000 while, at the same time, protecting front line, local delivery and put the services on a positive footing for the future.

Officers investigated two high level options for the Services; keep them within the Council or transferring the Services out of the Council to a new Culture Trust. The Culture Trust option came out as the preferred option due to:

1. Transferring Services to a Trust means we can secure the vast majority of the savings target from rates remission. If we keep the Services within the Council the savings will have to be found from reducing what we do just now, closing facilities and streamlining management and backroom support.
2. In a Trust we can be more demand led, more responsive to what our customers and users want from the Services. A Trust can be more flexible and quicker at making decisions. A new Board can bring new ideas, skills and experience to our work. In addition, by making the most of opportunities from fundraising and income generation we will be better positioned to preserve the quality and reach of service in the face of any future budget cuts.

What might a Trust look like?

A Culture Trust would typically be registered as a charity with OSCR (the Office of the Scottish Charities Regulator). To get charitable status, the Trust must be clear with OSCR about its social, educational and cultural objectives and as a result public service values can be safeguarded in this

new setup. The Trust will also be a Company Limited by Guarantee with a trading arm and managed by a Board of Trustees, normally about 12 trustees of whom no more than 25% can be SBC Councillors. Any profits made by the trading arm must be recycled back into the charitable aims of the company, giving the Trust a permanent incentive to do better from income generating activity.

This is not the first Culture Trust in Scotland. Another nine local authorities have already transferred their Cultural Services to a Trust. Amongst them are Highland, Fife, Falkirk and Glasgow. We have learned a lot from the way these Councils have set up their new Trusts and, as we move towards the creation of a Culture Trust in the Scottish Borders, we will try to take all the best aspects of the Culture Trusts in other parts of Scotland into our new Trust.

If we get the green light in the autumn, we expect that the new Trust will be operating by no later than October 2015.

Views, questions, comments on the proposal to transfer services to a trust should be sent to CulturalServicesRe@scotborders.gov.uk

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