

## BURSLEDON WINDMILL JOINT MANAGEMENT COMMITTEE

16 JUNE 2015

### FINANCIAL REPORT AND REVENUE BUDGET 2014/15 & 2015/16

#### **Introduction**

In accordance with the agreement between Hampshire County Council and Eastleigh Borough Council, the net cost of running Bursledon Windmill is shared between the partner authorities.

This report provides an update on the 2015/16 budget. Please note that the 2014/15 actuals span the periods when venues were run by HCC (April – Oct) and Hampshire Cultural Trust (Nov to Mar).

#### **Description of 2015/16 Budget**

The 2015/16 budget for Bursledon Windmill provided in Appendix 1 reflects proposed partner contributions as follows:

##### **1. Venue Management - salaries**

Includes venue management and curatorship salaries and on costs.

##### **2. Venue Management - costs**

This includes expenditure on rates, supplies and services and an estimated utilities and maintenance cost based on the average costs during 11/12, 12/13 and 13/14. Due to annual fluctuations in property and maintenance costs, some years the actual cost of maintenance will be higher as works need to be carried out and in other years the burden will be lighter. Hampshire County Council will continue to pick up any such overspend in years where more work needs to be done.

##### **3. Public Programmes (exhibitions)**

This charge contributes towards the cost of the Exhibitions team and includes display development, transport, setting up and taking down, cases for local exhibitions, insurance, marketing and research relating to new exhibitions.

##### **4. Collections**

This charge contributes to the care, curatorship and management of all collections relating to Bursledon Windmill, organised within the disciplines of Archaeology, The Arts, Natural Sciences and Social & Industrial History. The Service will continue to store, manage and provide public access to these important collections and make them available to the local community in support of exhibitions, displays and activities.

##### **5. Area Learning and Engagement**

The Community Engagement and Learning team are responsible for the design, creation, marketing and delivery of participatory learning sessions for young people in school and family groups, as well as other collections learning activity in both informal and formal settings, both within the museum and beyond in to the community.

## **6. Business Development**

Business development and marketing functions form the bulk of this cost. Marketing functions include visitor research, targeted marketing campaigns, museum and What's On leaflets, posters, website development, email marketing, advertising and media relations leading to free editorial and promotions. Business development provides strategic guidance and direction, monitors performance, levers funding from external sources including Renaissance and Arts Council, and liaises closely with senior councillors and officers where appropriate.

These budget headings reflect the headings in the Venue Plan, making it easier to understand where money is being spent and how Bursledon Windmill directly benefits. The budget has been modelled to include staff increments and the 1% pay award. They also include more accurate projections in relation to VAT costs, the financial activity which will be included in the trading arm and projected income from gift aid (where applicable).

The Trust strategy takes a more business-focused approach. Key aims include:

- a) The centrally provided exhibition programmes will be increasingly cost-effective and commercial with the objective of increasing visitors and income. Stronger connections will be made between the community museum and flagship venue programmes: for example, Hampshire's Big Theme 2014 (1914 – Commemorating World War 1); Lego Lost Worlds Zoo
- b) Expenditure in marketing (both print-based and digital) will increase in support of these programmes and their income/ visitor targets
- c) Expenditure in fundraising will increase in support of meeting revenue external investment targets
- d) Expenditure in business development expertise will be maintained and strengthened to support long-term development plans, revenue and capital investment for culture across Hampshire, including in Eastleigh Borough
- e) Levering additional investment for public programming across all venues, including into Eastleigh Borough. It will be allocated across arts and museums public programmes on an annual basis or in relation to specific projects which have secured external investment, with priority given to partners demonstrating most strategic commitment.

In addition, we intend to report from time to time on external investment secured and/applied for, and in kind support generously received from volunteers, trustees, businesses and other individuals and/or organisations.

An example of this external benefit is the recently secured Heritage Lottery Funded programme - Inspiring a Culture of Philanthropy in the Hampshire Solent Area. This project will create opportunities for the Hampshire Cultural Trust and other Museums in the area to develop their fundraising networks and skills. This three-year programme aims to create a culture of philanthropy, and inspire a real step change for both the sector and the philanthropic community in the Hampshire Solent area.

### **Recommendation**

That the 2014/15 actuals and 2015/16 budget update are noted by the committee.

Appendix 1

<b>EASTLEIGH MUSEUM</b>	<b>Budget</b>	<b>Actuals</b>	<b>Budget</b>
<b>EXPENDITURE</b>	<b>2014/15</b>	<b>to 31 Dec</b>	<b>2015/16</b>
	<b>£</b>	<b>2014/15</b>	<b>£</b>
Venue Management - salaries	12,124	9,607	9,663
Venue Management - costs*	19,932	11,667	19,264
Public Programmes (exhibitions)	21,004	21,004	18,433
Collections	42,941	42,941	45,421
Area Learning and Engagement	17,728	17,728	24,431
Business Development	13,843	13,843	22,577
<b>Total Expenditure</b>	<b>127,571</b>	<b>116,790</b>	<b>139,789</b>
Income	5,848	4,830	6,695
<b>Net Expenditure</b>	<b>121,723</b>	<b>111,960</b>	<b>133,094</b>

<b>BURSLEDON WINDMILL</b>	<b>Budget</b>	<b>Actuals</b>	<b>Budget</b>
<b>EXPENDITURE</b>	<b>2014/15</b>	<b>to 31 Dec</b>	<b>2015/16</b>
	<b>£</b>	<b>2014/15</b>	<b>£</b>
Venue Management - salaries	21,241	22,076	31,301
Venue Management - costs*	7,562	5,937	
Public Programmes (exhibitions)	4,789	4,789	4,608
Collections	6,611	6,611	11,355
Area Learning and Engagement	23,474	23,474	24,431
Business Development	13,843	13,843	22,577
<b>Total Expenditure</b>	<b>77,519</b>	<b>76,730</b>	<b>94,272</b>
Income	4,098	3,051	6,695
<b>Net Expenditure</b>	<b>73,421</b>	<b>73,679</b>	<b>87,577</b>

<b>TOTAL NET EXPENDITURE</b>	<b>Budget</b>	<b>Actuals</b>	<b>Budget</b>
	<b>2014/15</b>	<b>to 31 Dec</b>	<b>Proposed</b>
		<b>2014/15</b>	<b>2015/16</b>
Total Eastleigh Museum	121,723	111,960	133,094
Total Bursledon Windmill	73,421	73,679	87,577
<b>TOTAL NET EXPENDITURE</b>	<b>195,143</b>	<b>185,639</b>	<b>220,671</b>

<b>INCOME</b>	<b>HCC / HCT combined income budgets</b>		<b>Hampshire Cultural Trust</b>
	<b>Budget</b>	<b>Actuals</b>	<b>Budget</b>
	<b>2014/15</b>	<b>to August</b>	<b>(indicative)</b>
		<b>2014/15</b>	<b>2015/16</b>
Hampshire County Council / Hampshire Cultural Trust	134,743	125,239	160,271
EBC Contribution - Eastleigh Museum	30,000	30,000	30,000
EBC Contribution - Bursledon Windmill	27,728	27,728	27,728
BPC Contribution - Bursledon Windmill	2,672	2,672	2,672
<b>TOTAL INCOME</b>	<b>195,143</b>	<b>185,639</b>	<b>220,671</b>

\* This includes expenditure on rates, supplies and services and an estimated utilities and maintenance cost based on the average actual costs during 11/12, 12/13 and 13/14 (due to annual fluctuations in property and maintenance costs, some years the actual cost of maintenance will be higher as works need to be carried out and in other years the burden will be lighter. HCC will continue to pick up any such overspend in years when more work needs to be done).