

Revised 21st August 2014

Eildon Area Forum 30th April 2014

Questions

1. Q. How simple is it to be recognised by OSCR?

A. Not a given but there is comfort in the precedent of 9 Trusts already having done this, the latest being in 2012 in Fife. (Since attending the area forum officers have had a very positive meeting with colleagues from OSCR.)
2. Q. What would happen to Public Halls, particularly those that are currently struggling to generate business?

A. Public halls are in scope to transfer to the Trust and would continue to operate as part of a larger organisation not as individual “businesses”.
3. Q. What would be the future for community centres if they didn’t transfer to a Trust?

A. There are two options, one would be to consider Community Asset Transfer (CAT) and this option was discussed with CC management committees in 2012/13. A couple of Centres are considering this route but the majority didn’t appear interested at the time. The second option would be for centres to remain in SBC but this wont be the status quo, for example the management and support for them within SBC would have transferred to the Trust. If the Centres don’t transfer there will be a £65k gap in the savings target that could have been achieved by rates saving. This will need to found by other means.
4. Q. How could community centres have time and resources to set themselves up as a Trust?

A. This refers back to the earlier proposal of CAT made to Community centres. The Trust option is for a Borders wide Trust and not for individual Community Centre Trusts.
5. Q. Who takes the hit from the rates remission saving, local or central government?

A. Business rates are pooled nationally and redistributed back to Councils according to population levels. Decisions by individual Councils only have a very slight effect on the national pool and the amount redistributed back to Scottish Borders Council will be negligible. Scottish Borders Council must however, make a contribution from its own funds towards any discretionary relief that it awards. Providing the Cultural Trust is registered by OSCR this will be 5% of the normal rates liability.

Tweeddale Area Forum: 7 May 2014

Questions

1. Q. How confident are you that you will get OSCR recognition? Noted that it had been problematic for other local organisations.

A. Recognised that this was not a given but there is comfort in the precedent of 9 Trusts already having done this, latest being in 2012 in Fife. (Since attending the area forum officers have had a very positive meeting with colleagues from OSCR.)

2. Q. Are there differences between the proposals for a Culture Trust and BSLT?

A. There are many similarities but BSLT is very much an arms-length/independent Trust whereas the proposals for the Culture Trust suggest closer links to the Council.

3. Q. What about Community Centre Consultations in Tweeddale?

A. A discussion meeting with Peebles Community Centre is planned for 27th May. St Ronan's Community Wing is a Community Centre located in the primary school and is therefore not in scope to transfer to the Trust. It will be managed through Schools.

4. Q Will Trustees be paid?

A. Our assumption, and this is supported by OSCR, is that Trustees will not be paid but they will be entitled to out of pocket expenses

Cheviot Area Forum: 4 June 2014

Questions

1. Q. Who takes the hit from the rates remission saving - SBC or Scottish Government? If the latter how long before the block grant to local government is reduced to compensate?

A. Business rates are pooled nationally and redistributed back to Councils according to population levels. Decisions by individual Councils only have a very slight effect on the national pool and the amount redistributed back to Scottish Borders Council will be negligible. Scottish Borders Council must however, make a contribution from its own funds towards any discretionary relief that it awards. Providing the Cultural Trust is registered by OSCR this will be 5% of the normal rates liability.

It would be difficult, politically, to remove the rates remission particularly since doing so would affect so many organisations across Scotland who may then be disadvantaged.

2. Q. How successful has the transfer of services to cultural trusts been in other local authorities?

A. Most of the Scottish examples are culture and sport Trusts. These Trusts are still expected to make savings through a reduction in the Council's Management fee so they constantly have to look for ways to be more efficient or to generate more income. Woodhorn Trust, which delivers a range of cultural services in Northumberland, now has a larger operating budget despite significant reductions to the fee it receives from the local authority. BSLT is seen locally as operating successfully.

3. Q. You suggest that a Trust is likely to be more efficient and more responsive to customer demand than is currently the case. Is this not insulting to the current staff by suggesting they can't be responsive.

A. That's not what is meant. There are examples in SBC of good practice but SBC is a large bureaucratic organisation and it's not always easy to respond quickly or change procedures. There is evidence from other Trusts to suggest that a smaller organisation reporting to a governing body whose only concern is the management of a single service grouping provides more flexibility and the ability to change more quickly.

4. Q. With the Council transferring more and more services to Trusts and other organisations have they undertaken impact assessments on the implications on existing Trusts. What impact will the SBC Trusts have on small local Trusts who might find themselves in competition for other limited grant funding.

A. No impact assessments have been done that we're aware of. However, a Culture Trust will be able to apply for funds that a local authority is ineligible for and there is the possibility of some competition but all bids should be judged on merit and impact rather than who submits them. Also the main avenue for external funding to support Culture is via Lottery and Creative Scotland and these are already open to local authorities.

5. Q. Will Trustees be paid?

A. Our assumption, and this is supported by OSCR, is that Trustees will not be paid but they will be entitled to out of pocket expenses

6. Q. When setting up the Trust will the buildings transfer to Trust ownership?

A. No, the Trust will lease the properties from SBC on a 25 year lease. In addition the heritage collections, e.g. museum and archive collections will be subject to an agreement between the Trust and SBC - although the collections will be managed by the Trust, ownership will remain within the Council or Common Good where this applies.

7. Q. If the Trust are asked to take on the responsibility for managing the buildings but do not own them will this not limit their ability to make business decisions, e.g. sell or borrow?

A. The Trust would not be able to sell any buildings as they are only leased from the Council. The trust may be able to borrow against the income generated by an asset but they would not be able to borrow against the asset. The lease is likely to be a long term lease which would satisfy the conditions of some grants, which the Trust may look to access.

Berwickshire Area Forum: 5 June 2014

1. Q. How are the other Culture Trusts performing?
A. Generally speaking, successfully. See answer to Q2 Cheviot
2. Q. In relation to the £350k estimated rates remission - does that affect other council services?
A. Business rates are pooled nationally and redistributed back to Councils according to population levels. Decisions by individual Councils only have a very slight effect on the national pool and the amount redistributed back to Scottish Borders Council will be negligible. Scottish Borders Council must however, make a contribution from its own funds towards any discretionary relief that it awards. Providing the Cultural Trust is registered by OSCR this will be 5% of the normal rates liability.
3. Q. What guarantees will the council seek to ensure there is no erosion of services, either through cutbacks or significant increase in charges, if costs rise in the future?
A. The Council will be represented on the Trust Board; the Council's statutory obligations will remain but will be delivered by the Trust. The Trust may be required to seek Council approval before charges are increased above an agreed threshold. In addition a Trust can be more flexible in terms of accessing funding streams that are closed to local authorities and which may mitigate the impact of increasing operational costs.
4. Q. When setting up the Trust will the buildings transfer to Trust ownership?
A. No, the intention is that a Trust will lease the properties from SBC on a 25 year lease. In addition the heritage collections, e.g. museum and archive collections will be subject to an agreement between the Trust and SBC - although the collections will be managed by the Trust ownership will remain within the Council or Common Good where this applies.
5. Q. What happens if it doesn't work out as planned/ the Trust fails?
A. The Council will do all it can to make a Trust a success, however, there are always internal and external pressures around that mean a Trust could get into problems. Officers are doing a lot of preparation including talking to other Trusts in order to reduce risks. If the Trust were to get into difficulties there would be early warnings through monitoring and through local Councillor representation. This would allow the Council to consider what, if any, additional help it could provide but in the case of complete failure services would revert to SBC and they would need to decide which services it could continue to provide and in what manner.

6. Q. While the services are under SBC management I can approach my local councillor if I have concerns or issues. Under a Trust not all the Trustees will have been democratically appointed, so who is the Trust ultimately accountable to?
- A. There will be elected member representation on the Board and this will be bolstered by effective Service Level Agreements and appropriate governance arrangements between both the Trust and SBC.
- Q. The implied element of the question is: can you advise what, if any, element of localism will there be in the make up of the Board, to avoid it becoming weighted towards one particular area of the Borders at the potential detriment to others?
- A. Vacancies for Trustees will be advertised and will follow a competitive selection process. There is a need to balance a range of skills and interests across the Board. Local accountability is something we will need to consider.
7. Q. What happens to staff? Will they transfer to the new Trust?
- A. Existing Cultural Services staff will transfer to the Trust via TUPE arrangements.

Teviot Area Forum 17 June 2014

1. Q. Would the Trust continue to provide free access to museums?

A. Current legislation prohibits local authorities from charging for core museums collections but Trusts have the option. This will be for negotiation between the Trustees and the Council but the evidence from the other Trusts suggests that free entry is remaining.
2. Q. I am worried that if the Trust got into financial problems they could sell items from the collections, e.g. from the Hawick Art Collection, to raise funds.

A. This won't happen because the ownership of the collections will remain with the Council. The Trust will be contracted to manage and care for the collections, they will not be able to sell anything from collections.
3. Q. Will there be one Trust or a number such as with the sport trusts.

A. The proposal is for one Trust. All the advice we got when developing the recommendation was to go for the largest possible grouping of services to make most of economies of scale.
4. Q. A couple of people raised concerns (rather than actual questions) about
 - The need to ensure that Hawick was represented on the Trust.
 - The possibility that local collections could be moved out of the town to other locations
5. Q. What has been the outcome of the consultation with Community Centres?

A. Concerns have been raised from some community centres. The consultation for community centres has been extended to 15th September to allow these concerns to be discussed internally by the community centre management committees and then communicated to SBC.
6. Q. Will Trustees be paid?

A. Trustees will not be paid a salary although they will be entitled to expenses.
7. Q. What is the position with the integrated Library/Contact centres?

A. The building and the front line service will remain with the Council but the professional library support and development and the supply of stock will be provided by the Trust. There will be an agreement between the Council and the Trust similar to the current arrangement between Libraries and Customer Services, who have day to day responsibility for the integrated sites and Library and information Services.
8. Q. Will it be legally possible for the Council to transfer its Libraries to a Trust?

A. There was an argument at the time when Glasgow was establishing its Trust that the terms of the 1887 act would not allow local authorities to transfer their responsibility to provide a library service to a third party. However, the fact that Glasgow and a further eight Scottish local authorities have transferred their library services to a trust does indicate there isn't an issue.

9. Q. What happens if the Trust fails?
- A. The Council will do all it can to make a Trust a success, however, there are always internal and external pressures around that mean a Trust could get into problems. Officers are doing lots of preparation including talking to other Trusts in order to reduce risks. If the Trust were to get into difficulties there would be early warnings through monitoring and through local Councillor representation. This would allow the Council to consider what, if any, additional help it could provide but in the case of complete failure services would revert to SBC and they would need to decide which services it could continue to provide and in what manner.
10. Q. Does “Culture” cover “Britain in Bloom” and will the Trust support Hawick’s involvement in this?
- A. Although the wider definition of Culture is extensive and takes in a broad range of activities and interests the scope of this proposal is limited to the Council services currently grouped under Cultural Services, i.e. Libraries, Museums, Archives, Arts Development, Halls, Community Services, and Heart of Hawick. Support from Britain in Bloom comes from other areas in the Council so is not in scope.
11. Q. How will we ensure that we have a local person on the Trust to ensure we have local accountability?
- A. The recruitment process for trustees will be open and transparent. Vacancies for Trustees will be advertised and will follow a competitive selection process. There is a need to balance a range of skills and interests across the Board.
12. Q. Does what is being proposed not run contrary to the spirit of the newly promoted Community Empowerment legislation?
- A. The Trust proposal is out to public scrutiny using a mix of open and overt communication channels including this presentation, website, newsletters, press releases, social media and staff briefings. Proposals for community empowerment legislation are still at the Bill stage.