

NORTH LANARKSHIRE COUNCIL
REPORT

To: ALEO AND EXTERNAL BODIES MONITORING COMMITTEE	Subject: LOCAL GOVERNMENT BENCHMARKING FRAMEWORK CULTURE & LEISURE SERVICES – COST PER VISIT TO MUSEUMS AND GALLERIES 2014/15
From: HEAD OF EDUCATION (SKILLS, LIFELONG LEARNING & YOUTH EMPLOYMENT)	
Date: 7 JULY 2016	Ref: LMCM/EW

1.0 INTRODUCTION

The purpose of this report is to provide information for members on the cost per visit to North Lanarkshire Museums as outlined in the Local Government Benchmarking Framework.

2.0 BACKGROUND

2.1 **Local Government Benchmarking Framework – Core Purpose**

The Local Government Benchmarking Framework was established to develop on a collaborative basis, a comparative benchmarking framework for Scottish Local Government that supports the targeting of improvement activities and resources to areas of greatest impact – in terms of efficiency/costs, productivity and outcomes.

Operating on this collaborative principle a limited number of indicators has been developed for each major local authority service area. The aim of the benchmarking suite is to help Councils to better understand where their services vary in performance against the indicators. The process is then designed to focus questions to guide further exploration of the variation and to subsequently share good practice across Councils in a collective and individual manner driving improvement forward.

Where information on service costs is the key basis of an indicator (as is the case with the museums indicator – costs of museums per visit) the Local Finance Returns (LFRs) have been utilised as the most robust source of comparable data on Council expenditure that is currently available.

2.2 **Culture and Leisure Services Measure – Cost per Visit to Museums and Galleries**

This indicator calculates the cost of museums and galleries managed or supported by Councils. The rationale behind this measure is a recognition that increasing usage by both personal visitors and through other enquiries are important indicators of the value of museum services. Appendix 1 of this report provides a more detailed definition of this indicator.

3.0 CONSIDERATIONS

3.1 **North Lanarkshire Museums Performance Data – Costs per Visit to Museums 2013/14 & 2014/15**

In 2013/14 the cost per visit to a CultureNL operated museum was £9.46, the Scottish Average was £3.72. In 2014/15 the cost per visit had reduced by £1.95 to £7.51. The Scottish average was £3.53.

Table 1 provides comparative data from the local authorities in LGBF benchmarking group 4 family members.

Table 1: Cost per visit comparison against the North Lanarkshire LGBF group 4 family members

Museums Area	Cost per visit 13/14	Cost per visit 14/15	Number of Visits 13/14	Number of Visits 14/15	Number of Museums	% Satisfaction 13/14	% Satisfaction 14/15
North Lanarkshire	£9.46	£7.51	179959	224289	6	73%	80%
Falkirk	£2.95	£4.73	361142	221385	2	73%	81%
East Dunbartonshire	£8.87	£5.69	32906	38983	1	71%	74%
Aberdeen City	£3.00	£3.09	1114535	1075225	4 (including 1 gallery)	71%	68%
Edinburgh City	£1.61	£1.69	1716983	17396445	13	94%	91%
West Dunbartonshire	£2.10	£2.02	92779	99858	1	71%	80%
Dundee City	£5.15	£4.91	316404	358417	10 (including 4 galleries)	82%	85%
Glasgow City	£4.63	£4.23	3582121	3986226	9	94%	84%
Average	£4.72	£4.23					

3.2 What the Data Tells Us

Taken purely on an analysis of the statistics, North Lanarkshire museum service's comparative performance can be summarised as follows in terms of the 2014/15 figures:-

- Cost per visit - highest in benchmarking group at £7.51 (nearest authority Falkirk at £4.73)
- 4th highest in Scotland (highest South Ayrshire at £19.58)

Number of Visits - 5th highest in benchmarking group (of 8)

Notwithstanding the above, the LGBF was never intended for the purpose of creating 'league tables'. The museum services operated by local authorities are varied in nature, comparing cities such as Edinburgh and Glasgow with North Lanarkshire is not the intention. As indicated in table 1 the number and type of facilities operated varies significantly. This has a bearing on the figures. For example some authorities have a mix of small independent museums and local authority sites, others have art galleries. There is no dedicated gallery provision in North Lanarkshire.

The following must therefore be taken into consideration when seeking to glean data on which to base meaningful benchmarking discussions and ultimately improvement plans:-

- The operational costs of a complex and extensive site such as Summerlee Heritage Park with significant maintenance and staffing costs due to the dispersed nature of the on-site attractions cannot be easily compared to a building based town/city centre museum or gallery.
- The Council's public records repository is located in North Lanarkshire Heritage Centre in Motherwell, this site's running costs include the archive/public record keeping costs, there is limited potential for significant visitor numbers to this site, however it is a designated museum site.
- In some councils the public records costs are included with the library service costs or in corporate functions budgets.

4.0 CONCLUSIONS

Culture NL has developed the museums programme particularly at Summerlee over the past few years. This has resulted in an increase in visitor numbers. The service also counts digital units on specific websites and social media sites and this has increased overall visitor figures as well. The installation of digital counts in all venues has improved the accuracy of data gathering.

The LGBF family groups were set up to explore further opportunities for analysing and improving service design and delivery, ultimately in order to lead to improved service impact. It is still relatively early days for all the groups but sharing of good practice via the groups has started. CultureNL is represented on the museums group.

CultureNL has archives as part of its museum service while many others in family group 4 (e.g. Glasgow, Edinburgh), do not. In some authorities these are part of the library service so are not included in the LFR. Again this is an inconsistency in the comparison process and ultimately makes CultureNL more expensive than its counterparts.

Summerlee is a very large site with fixed operating costs. When you compare this to East Dunbartonshire for example, which has only one museum and a relatively small one at that, then inevitably CultureNL will be more expensive to run.

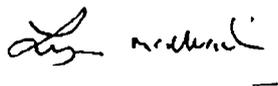
Some museum services are based in large urban areas and also have gallery provision as part of their setup. This means their capacity for generating visitor numbers is greater than their counterparts and they will have more of an opportunity to generate lower per capita visitor costs as a result.

It can be argued that the North Lanarkshire Heritage Centre, incorporating the archive service, is no longer in a position to generate the amount of visitors it did previously as its role and function have now changed. For this reason the service may look to exclude it from future returns.

5.0 RECOMMENDATIONS

The ALEO Monitoring Committee is recommended to:-

- (i) authorise the Head of Education (Skills, Lifelong Learning and Youth Employment), in conjunction with Culture NL, to establish an improvement target in terms of visitor numbers for museums services designed to reduce the cost per visit.
- (ii) otherwise note the content of the report.



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Local Government Access to Information Act: For further information please contact:
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SOLACE BENCHMARKING MEASURE DETAIL	
SERVICE AREA	Culture and Leisure Services
MESURE	C & L 3: Cost per visit to museums and galleries
SUMMARY DEFINITION	This indicator calculates the cost of museums and galleries managed or supported by councils, per visit.
RATIONALE FOR MEASURE	Increasing usage by both personal visitors and through other enquiries are important indicators of the value of museum services.
FORMULA	$\text{Cost per Visit} = \frac{\text{LFR Costs}}{\text{No. of Visits}}$
DETAILED DEFINITION (with inclusions and exclusion)	<p>LFR Costs is defined by Local Financial Returns (LFR) guidance on gross expenditure of Museums and Galleries (LFR 02). This includes employee costs, operating costs, revenue contribution to capital (RCC) and third part projects by the General Capital Grant (GCG). For the purposes of this exercise support costs are excluded from this indicator as all support costs are counted in the indicator Corp 1.</p> <p><u>Employee Costs</u>: this includes employers' superannuation contributions. Equal pay expenditure is included in employee costs as and when these costs have been accrued into the financial statements. Cash payments against provisions made in previous years are excluded.</p> <p><u>Operating costs</u>: This does not include capital charges.</p> <p>Third party payments are included. These are payments to an external provider, or an internal service delivery unit, which is operating independently, in return for the provision of a service</p> <p><u>Support Services</u>: Support Costs are recorded in line with the "LFR Data Standardisation Guidance" produced for the SOLACE benchmarking exercise.</p> <p><u>Revenue Contribution to Capital</u>: revenue contribution towards capital expenditure on capital assets which was met directly from the service revenue within the current year (capital funded from current revenue – CFCR)</p> <p><u>Grants to third parties funded by General Capital Grant</u>: Where the GCG is used to fund third party capital projects the grant is treated as service income and the corresponding grant or direct payment treated as service expenditure. Where the GCG is used to finance the capital expenditure of the Council no part of the GCG is recorded in any LFR.</p> <p>All expenditure and income relating to Museums and Galleries, regardless of which department provides the service are recorded.</p> <p>Number of Visits refer to the total number of <u>visits</u>, <u>not visitors</u>, to council funded or part-funded museums and galleries.</p>
DATA SOURCE	<p>The earlier publication of the LGBF means that the LFR data was not available to be used for data from 2013/14 onwards; all previous years data uses the LFR data. Therefore, the cost data used from 2013/14 onwards is based on a direct return to the Improvement Service; although to ensure reliable and comparable data, the cost data continues to be based on the LFR categories, guidance and definitions. This data will be refreshed in March with the audited LFR data.</p> <p>For more details on LFR costs see LFRs Guidance notes for Culture and</p>

Related Services:
<http://www.scotland.gov.uk/Topics/Statistics/Browse/Local-Government-Finance/ReturnLFR/LFT1112Guidance> (See LFR 02, Museums and Galleries)

Data for the **Number of Visits** is available from Audit Scotland.
<http://www.audit-scotland.gov.uk/performance/service/> (Culture and Community Services)

From 2013/14 Councils return the number of visits data direct to the Improvement Service.

Further details on the inclusions and exclusion for Number of Visits are available within the Statutory Performance Indicators (SPI) Guide:
http://www.audit-scotland.gov.uk/performance/docs/2011/SPT_1213_guide.pdf