

READING BOROUGH COUNCIL

REPORT BY DIRECTOR ENVIRONMENT AND NEIGHBOURHOOD SERVICES

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| TO: | HOUSING, NEIGHBOURHOODS AND LEISURE COMMITTEE | | |
| DATE: | 5 JULY 2017 | AGENDA ITEM: | 9 |
| TITLE: | PEER REVIEW OF CULTURAL SERVICES | | |
| LEAD COUNCILLOR: | SARAH HACKER | PORTFOLIO: | CULTURE, SPORT AND CONSUMER SERVICES |
| SERVICE: | ECONOMIC & CULTURAL DEVELOPMENT | WARDS: | BOROUGHWIDE |
| LEAD OFFICER: | GRANT THORNTON | TEL: | 0118 937 2416 |
| JOB TITLE: | HEAD OF ECONOMIC & CULTURAL DEVELOPMENT | E-MAIL: | grant.thornton@reading.gov.uk |

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The Council bid for and secured a 'Peer Review' of cultural services in late 2016 with funding provided by the Local Government Association (LGA) and Arts Council England (ACE). The external and independent Peer Review team comprised two senior officers with relevant experience and a similarly experienced senior councillor. The on-site element of the Peer review was conducted on the 8th and 9th of February 2017 with the feedback report being received in March. This report summarises the findings of the 'Peer Review', which were very positive, and key recommendations for further enhancing the contribution of cultural activity to the town's success and the well-being of its residents in line with the aspirations of the Culture & Heritage Strategy 2015 - 2030. The report outlines proposed next steps to respond proactively to the recommendations in the feedback report, including reference to how proposals to implement Reading's successful 'Great Place Scheme' bid can assist with this (a separate report on the 'Great Place Scheme' follows on the agenda). The report seeks Committee's views on the outcomes of the Peer Review, endorsement of the proposed next steps and recommends that this Committee scrutinises and contributes to the work of the Cultural Partnership on a regular basis.
- 1.2 The full content of the Cultural Services Peer Challenge Feedback Report is attached at Appendix 1.

2. RECOMMENDED ACTION

- 2.1 That Committee considers the outcomes of the Peer Review as outlined in the Feedback Report.
- 2.2 That Committee endorses the proposed next steps, including the role of a refreshed Cultural Partnership to provide strategic leadership.

- 2.3 That Committee receives regular reports on the activities of the Cultural Partnership and associated work-streams and determines whether this be on a twice yearly or annual basis.

3. POLICY CONTEXT

- 3.1 A new Cultural and Heritage Strategy 2015-2030, developed under the auspices of the Cultural Partnership, was endorsed by the Council's Policy Committee in November 2015. This reflects the strong partnership approach in Reading, recognising that it will be a range of organisations working collectively that will be key to delivery and success. The new Culture and Heritage Strategy clearly sets out an aspirational vision for culture and heritage to play a key role in the town's future, enhancing the quality of life for residents and increasing the attractiveness of the town for visitors and investors. The Strategy envisages Reading's profile and reputation as a cultural destination being transformed over the coming years, building from a strong base of arts and heritage organisations and assets and catalysed by a Year of Culture in 2016.
- 3.2 Peer Reviews or Peer Challenges are a well-developed mechanism within local government for sector led service improvement and the further adoption or development of best practice. Peer Reviews are not inspections and are rather a voluntary process focused on improvement tailored to meet individual council's needs. The Cultural Services Peer Challenge was jointly funded by the LGA and ACE and Reading was one of 4 successful bids to participate nationally in 2016/17.
- 3.3 The Peer Challenge Feedback Report observed that:

'We were impressed by the quality of cultural services and the management of them. Culture, arts and heritage make a strong contribution to the Council's Corporate Plan 2016-2019 'Building a Better Reading', in particular the priorities of:

- *Keeping the town, clean, safe, green and active*
- *Providing the best life through education, early help and healthy living*
- *Providing infrastructure to the support the economy'.*

4. THE PROPOSAL

4.1 Current Position:

The full Feedback Report is attached at Appendix 1 but key findings can be summarised as follows:

- It is evident that arts and culture in Reading have reached a critical mass as a result of clear ambition, steady growth and targeted investment by the Council and its partners, particularly over the last 2 - 3 years;
- There is a real opportunity for the Council and its partners to capitalise on the new shared ambition for the place as a cultural destination and to use the arts and culture to make a significant local and national impact;
- The Council's own cultural services appear to be of high quality and focused on efficiency and improvement. The peer team were impressed by a clear focus on raising standards and reducing costs in direct provision;
- The Council has high calibre cultural teams who are creative, innovative and 'can-do' and who understand the serious financial challenges faced by the Council;

- The peer team found significant support and enthusiasm for arts and culture among partners from business, arts community, university and education sectors with ambition articulated and progress made across a range of sectors;
- The Council has recognised that as its own resources are under considerable pressure, its role needs to change moving forward. Notwithstanding the evident value of its direct provision, there is an opportunity to recast the role of the Council as an enabler, a facilitator and a promoter of Reading's art and heritage ambitions;
- Building on the strong relationship forged and the momentum of the Year of Culture in 2016, there is an opportunity to facilitate high level discussions and capitalise on the appetite of partners for joint ventures and collaborations.

Building on these key findings and an overall very positive assessment of cultural services and activity in the town the Feedback Report identified the following key recommendations:

1. Develop a SMART action plan to set out the Council's priorities against the Culture and Heritage Strategy;
2. Re-engineer the governance structure for the Culture, Arts and heritage portfolio, clarifying the structure's role, purpose and function;
3. Develop a prospectus evidencing how culture supports corporate and commissioning priorities;
4. Establish multi-disciplinary teams for key projects like the Abbey Quarter to break down silo working and enhance project delivery;
5. Lead a high level conversation about relationships with business and agree a fundraising strategy for Reading with the University and Reading UK CIC;
6. Coordinate the upfront planning for legacy from culture and heritage projects and programmes with Reading UK CIC, the University and partners.

There is also at section 6 in the feedback report further commentary and observation that sits behind the findings and key recommendations, including some useful pointers to other local authorities that might provide useful learning in relation to their particular strengths.

4.2 Options Proposed

As noted above the Peer Challenge is not an inspection but an aid to service improvement and in this regard recommendations are advisory. The review took place over two days with significant advance preparation supported by extensive background information. As stated in the feedback report the peer challenge is a snapshot in time and it is acknowledged that some of the feedback may be about things that are already being addressed or progressed. That said the calibre of the peer team was impressive and, based on their wider knowledge and experience, they have provided both confirmation of the strength and potential of cultural services in Reading and some insightful suggestions to assist further progress.

Perhaps the key focus of the peer challenge's recommendations is on the strategic partnership context with an opportunity for the Council to re-define its role as the leader of a diverse and collaborative partnership:

'Our recommendation is that you refocus the governance structure for the sector, establishing a clear governance pyramid and identifying a leadership role for the Council which is agreed by all partners. The new arrangements would enable strategic planning and programming; design and deliver investment strategies; oversee commissioning; and provide overall programme governance to ensure the delivery of outcomes.'

As reported to and endorsed by this Committee in November 2016 there is already an acknowledged need to re-engineer the Cultural Partnership and this is clearly supported by the peer challenge findings. In this regard the success of Reading's 'Great Place Scheme' bid (see related report on tonight's agenda) has relevance as it includes a proposal for the Cultural Partnership to act as the 'Great Place Board' to provide strategic governance and oversight. In order to progress this, the bid incorporated resources for external facilitation to support the process and the councillor peer from the peer review team has agreed to carry out this facilitation.

Once in place this will deliver on recommendation 2 and provide the partnership infrastructure to take forward recommendations 5 and 6.

The Great Place Scheme will also support delivery of recommendation 3 as it has a focus on cultural commissioning to support delivery of priority outcomes.

Recommendations 1 and 4 will be further considered and taken forward by Council officers.

In addition it is proposed that the Housing, Neighbourhoods and Leisure Committee provides scrutiny on the activities and associated work-streams of the Cultural Partnership going forward. Not only is this good practice with regard to partnership working, it also provides an opportunity for wider dissemination of and engagement with the Cultural Partnership's work. It also provides the Committee with the opportunity to positively contribute, either on the generality of the Cultural Partnership's activities or to request a particular focus. The Committee is requested to determine whether it would like to exercise this scrutiny function on a twice yearly or annual basis.

4.3 Other Options Considered

The decision to bid for and then to participate in the Peer Challenge process was not taken lightly given the very heavy workload demands on both the Council and its partners. However, the potential advantages of a constructive external, informed and independent review focused on potential further improvement were considered to outweigh the demands of the process. The review team have provided a very positive view of cultural services in Reading, including those provided directly by the Council and by its partners, and highlighted the significant potential going forward. The key recommendations are focused on helping to realise this potential and it is felt they should be given serious consideration by the Council and its partners (who all participated in the Peer Challenge process).

5. CONTRIBUTION TO STRATEGIC AIMS

5.1 The ambition to raise Reading's cultural profile and reputation is about both the outcomes for Reading as a place and delivering better quality of life for residents. The delivery of culture and heritage contributes to achieving the following Corporate Priorities:

- Keeping the Town clean, safe green and active
- Providing the best life through education, early help and healthy living
- Providing infrastructure to support the economy.

5.2 A new Cultural and Heritage Strategy 2015-2030, developed under the auspices of the Cultural Partnership, was endorsed by the Council's Policy Committee in November 2015. This strategy has an over-arching ambition that:

‘By 2030, Reading will be recognised as a centre of creativity with a reputation for cultural and heritage excellence at a regional, national and international level with increased engagement across the town.’

6. COMMUNITY ENGAGEMENT AND INFORMATION

- 6.1 There has not been specific community engagement with regard to the Peer Challenge process, although it did engage with a wide-range of partners and stakeholders. However community engagement is critical to the development and delivery of cultural activities in the town more widely. There has been widespread consultation and engagement in the development of the Culture & Heritage Strategy, indeed it was this consultation that led to the development and delivery of the Year of Culture 2016. There has also been a specific consultation exercise with young people to inform the action plan developed by the Cultural Education Partnership (CEP). At a project level community engagement and activity programmes form a major component of HLF funded projects such as Abbey Revealed and MERL. In part this is to inform how these projects are delivered but it is also about engaging with new and under-represented groups. More broadly information, marketing and engagement is central to audience development across much of the culture and heritage sector.

7. EQUALITY IMPACT ASSESSMENT

- 7.1 It is not considered that an Equality Impact Assessment is relevant with regard to the content of this report.

8. LEGAL IMPLICATIONS

- 8.1 None.

9. FINANCIAL IMPLICATIONS

- 9.1 None directly. The difficult financial position of the Council is directly acknowledged in the Peer Challenge Feedback report and is a key factor in the focus of the recommendations on partnership working and the Council’s role as an enabler, a facilitator and a promoter of reading’s arts and heritage ambitions.

10. BACKGROUND PAPERS

- 10.1 ‘Culture and heritage in Reading’, Report to the Council’s Housing, Neighbourhoods and Leisure Committee 16th November 2016.

Great Place Scheme - Reading-on-Thames - Full Application (January 2017).

Cultural Services Peer Challenge **Reading Borough Council**

8 - 9 February 2017

Feedback Report

Executive Summary

1. Scope

Reading Borough Council applied for a Cultural Services Peer Challenge in 2016/17, funded by the Arts Council England and the Local Government Association. It is one of only four local authorities to be selected for the Cultural Services Peer Challenge this year.

The Council asked the peer team to focus on the following four areas:

- 1.1 In relation to directly run services, is the Council maximising financial sustainability and resilience?
- 1.2 In relation to the wider cultural offer and stakeholders, how might the Council reshape the Cultural Partnership to reflect recent developments and drive and add value to the delivery of the Culture and Heritage Strategy?
- 1.3 What else could the Council be doing to secure and embed private sector investment into the delivery of cultural activity?
- 1.4 What else could the Council be doing to maximise the contribution of culture to key corporate priorities and outcomes for local people, including the contribution from libraries?

In addition, the peer challenge team provided related recommendations for Reading Borough Council's consideration and general commentary about cultural services.

2. Key Findings

- 2.1 It is evident that arts and culture in Reading have reached a critical mass as a result of clear ambition, steady growth and targeted investment by the Council and its partners, particularly over the last two to three years.
- 2.2 There is a real opportunity for the Council and its partners to capitalise on the new shared ambition for the place as a cultural destination and to use the arts and culture to make a significant local and national impact. This cultural ambition is exemplified by the nationally significant installation by Artangel 'Inside: Artists and Writers in Reading Prison' which over the autumn and winter attracted 30,000 visitors and gained widespread acclaim.
- 2.3 The Council's own cultural services appear to be of high quality and focused on efficiency and improvement. The peer team were impressed by a clear focus on raising standards and reducing costs in direct provision, particularly using capital investment to enable efficiencies in an invest to save approach. It was also evident that solutions were being sought cross-departmentally, for example the co-location of services in the Town Hall and the integration of libraries with children's centres. A continued corporate approach to the overall asset strategy will be essential for success.

- 2.4 The Council has high calibre cultural teams who are creative, innovative and ‘can-do’ and who understand the serious financial challenge faced by the Council. All of the cultural services staff we met were determined to provide high quality public services and deliver the Council’s priorities. The stakeholders we spoke to were in general appreciative of cultural services managers and frontline staff and valued the strength of the partnership with them.
- 2.5 The peer team found significant support and enthusiasm for arts and culture among partners from business, arts community, university and education sectors with ambition articulated and progress made across a range of sectors. Cultural events and attractions are viewed as key on all levels to attracting new businesses, employees and visitors in this growing economy. There is evidence of productive relationships with national partners too, in particular with Arts Council England and the Heritage Lottery Fund (HLF).
- 2.6 The Council has recognised that as its own resources are under considerable pressure, its role needs to change moving forward. Notwithstanding the evident value of its direct provision, there is an opportunity to recast the role of the Council as an enabler, a facilitator and a promoter of Reading’s arts and heritage ambitions. The Council’s key strategic partners, such as the University of Reading, Reading UKCIC (the economic development company for Reading) and the independent arts sector, are ready to ‘take up the mantle’ and take a stronger leadership role where their support can add momentum and capacity to the Council’s own place shaping endeavors. Partners are looking to the Council to provide a strong vision and clear strategy to which they can align their own agendas.
- 2.7 Building on the strong relationship forged and the momentum of the Year of Culture in 2016, there is an opportunity to facilitate high level discussions and capitalise on the appetite of partners for joint ventures and collaborations. A number of the senior stakeholders we spoke to indicated that the time was right for a series of strategic conversations between the City’s senior political leaders and key stakeholders to consider how they might collaborate moving forward with culture at the heart of the conversation.

3. Key recommendations

There are a range of suggestions and observations within the main section of the report that will inform some ‘quick wins’ and practical actions in addition to the conversations the peer team had with the Council while in Reading.

Recommendation 1: Develop a SMART action plan to set out the Council’s priorities against the Culture and Heritage Strategy

While good initial progress has been made the peer team think that you have a little more work to do in implementing your vision for culture. The 2015 – 2030 Cultural and Heritage Strategy was developed in partnership and with public consultation and it has proved a successful platform for subsequent development. A workshop was held last year to develop a delivery/action plan and a plan now needs to be finalised and communicated to partners. It is recommended that at the start of the new financial year the Council sets out

its own SMART action/delivery plan for the Strategy for years 1, 2 and 3 moving forward and that this is then built on to include the actions of key partners.

Recommendation 2: Re-engineer the governance structure for the Culture, Arts and Heritage portfolio, clarifying the structure's role, purpose and function

The success of the 2016 Year of Culture has acted as a catalyst that has brought an energised group of influential partners together all of whom have great ambitions for Reading and its economy. There was a strong view expressed by many that the current partnership arrangements must change to accommodate these ambitions. The Council has an opportunity to lead on the re-design of the relationships with the cultural community and the business sector with a focus on arts and culture and to re-define its role as the leader of a diverse and collaborative partnership. The Council demonstrates that it has the institutional confidence to position itself as the leader, facilitator and enabler of this new collaboration.

The new governance structure should incorporate consideration of the current lead member portfolios, the Cultural Partnership Board, the Cultural Education Partnership, the Arts and Heritage Forum and the Housing, Neighbourhoods and Leisure Committee. It should confirm how a new structure provides strategic leadership and coordination, concentrating and focusing the investment and commissioning capacity of a broad range of internal and external partners. Durham City Council is an example of a council providing strategic leadership for arts, heritage and culture which could be useful in your approach.

Recommendation 3: Develop a prospectus evidencing how culture supports corporate and commissioning priorities

Business leaders and public sector commissioners both indicated that they were supportive of arts and culture but did not have sufficient evidence of the impact they could make locally. We heard some impressive examples where excellent outcomes are being achieved, such as the digital/ tech businesses support to Light Up Reading; the work with vulnerable older people in libraries; and mental health work in Reading Museum. However, these successes are not widely communicated in the Council or externally thereby missing the opportunity for further investment or collaboration. The London Borough of Bexley is a good example of a library service demonstrating strong outcomes in adult social care.

Recommendation 4: Establish multidisciplinary teams for key projects like the Abbey Quarter to break down silo working and enhance project delivery

There is an opportunity for the Council to work more effectively. Working relationships within the department are good but some staff expressed concern that there can be a tendency towards silo working more widely in the Council, especially given current challenges. Similarly, external partners noted they can find it difficult to get traction when trying to take forward cultural initiatives of value to the Council for example placing advertising banners. Tasking cross departmental teams to deliver key initiatives like the Abbey Project or the Libraries Review is an effective way of giving a strong message about the importance to the whole Council of key cultural projects and to overcome silo working.

Recommendation 5: Lead a high level conversation about relationships with business and agree a fundraising strategy for Reading with the University and Reading UKCIC

The peer team found the business sector to be open to becoming a more active commissioning partner in arts and cultural initiatives with a clear focus on place shaping and workforce retention. Alongside the business community, the University is also developing a significant portfolio of initiatives across the creative and heritage sectors. The Council likewise has great plans for both cultural and heritage initiatives. There is a risk that all partners, including the Council are pursuing the same potential supporters and investors leading to confusion about initiatives, leadership and legacy. A strategic conversation focused on the place shaping ambition and led from the highest political level in the Council, would be beneficial. A high level fundraising strategy agreed between the Council, University and Reading UKCIC would enable a coordinated approach to business planning, project development and management alongside making single approaches to public institutions, commercial investors and philanthropists that are initiative led rather than institutionally led.

Recommendation 6: Coordinate the upfront planning for legacy from culture and heritage projects and programmes with Reading UKCIC, the University and partners

The excellent progress made by all partners, in particular over the last two to three years, has generated a momentum and enthusiasm about what can happen next. However, it was not clear to the peer team that legacy objectives had been consistently set in advance in project planning. A key role of the governance structure discussed above should be to ensure that legacy outputs and outcomes are identified up front and become a 'golden thread' running through the business plan for a project.

4. Summary of the Peer Challenge approach

The peer team

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected your requirements and the focus of the peer challenge. Peers were selected on the basis of their relevant experience and expertise and agreed with you. The peers who delivered the peer challenge at Reading were:

- Councillor Guy Nicholson, Cabinet Member for Regeneration at London Borough of Hackney
- Sue Thiedeman, Head of Culture and Visitor Economy at Barnsley Metropolitan Council
- Liz Blyth, Peer Challenge Manager, LGA Associate and recently Director of Culture and Neighbourhood Services at Leicester City Council

Scope and focus

The Council asked the peer team to focus on the following four areas:

- In relation to directly run services, is the Council maximising financial sustainability and resilience?
- In relation to the wider cultural offer and stakeholders, how might the Council reshape the Cultural Partnership to reflect recent developments and drive and add value to the delivery of the Culture and Heritage Strategy?
- What else could the Council be doing to secure and embed private sector investment into the delivery of cultural activity?
- What else could the Council be doing to maximise the contribution of culture to key corporate priorities and outcomes for local people, including the contribution from libraries?

The peer challenge process

It is important to stress that this was not an inspection. Peer challenges are improvement focussed and tailored to meet individual council's needs. They are designed to complement and add value to a council's own performance and improvement. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The peer team prepared for the peer challenge by reviewing a range of documents and information in order to ensure they were familiar with the Council and the challenges it is facing. The team then spent two days at Reading Borough Council, during which they:

- Spoke to more than 28 people including a range of Council staff together with councillors and external partners and stakeholders
- Gathered information and views from more than 18 meetings and additional research and reading
- Collectively spent more than 75 hours to determine their findings – the equivalent of one person spending more than 2 weeks in Reading

This report provides a summary of the peer team's findings. It builds on the feedback presentation provided by the peer team at the end of their on-site visit 8 - 9 February 2017. In presenting feedback to you, they have done so as fellow local government officers and members, not professional consultants or inspectors. By its nature, the

peer challenge is a snapshot in time. We appreciate that some of the feedback may be about things you are already addressing and progressing.

5. Strategic Context

Reading is a thriving and diverse town with an expanding population of over 160,000 (plus a wider catchment of more than 250,000 people), a thriving economy and a large university. Reading's economic growth is evident in the redeveloped waterfront and rail station expansion, inward investment from high profile businesses like Microsoft and Pepsico and strong optimism among business partners. Reading is home to the number one tech cluster in the UK and the second highest concentration of SME's. In contrast there are some extremes of local poverty and addressing inequality is stated as a key priority for the Council.

It is important to emphasise that the Council as a whole is facing significant financial pressures. Savings of over £65m have been made since 2010 but there is a funding gap to close by 2020 of more than £40m in order to balance resources against expenditure, and this equates to one third of current net expenditure. This disconnect between the resources of the Council and the overall economic success of the town brings significant challenges. Importantly we found these challenges to be widely understood by partners and Council staff. Staff in cultural services are determined in their efforts to raise income and reduce costs.

We were impressed by the quality of cultural services and the management of them. Culture, arts and heritage make a strong contribution to the Council's Corporate Plan 2016-2019 'Building a Better Reading', in particular the priorities of:

- **Keeping the town, clean, safe, green and active**
- **Providing the best life through education, early help and healthy living**
- **Providing infrastructure to the support the economy**

Cultural services enjoy the support of the political leadership with active engagement from the portfolio holder, the Chair of the Housing, Neighbourhoods and Leisure Committee and the Chair of the Arts and Heritage Forum.

In this challenging financial context for the Council, cultural services are well placed to help capitalise on the opportunities that economic growth and a vibrant independent arts sector can bring to the place. A new Cultural and Heritage Strategy 2015-30 has been produced with partners and consultation on its development led to 2016 being designated a 'Year of Culture'. The strategy notes that:

“By 2030, Reading will be recognised as a centre of creativity with a reputation for cultural and heritage excellence at a regional, national and international level with increased engagement across the town”

The commitment to culture is evident in Reading with evidence of tangible investment and support, ranging from stated priorities in the Council Plan through to the capital investment in the Town Hall and Museum, library service modernisation, South Street Arts Centre and

the Abbey Quarter. The Council has undertaken a programme to reduce the revenue costs of its in-house services, while driving up income through a focused programme of capital investment, modernisation and culture change. Recent developments include:

- Capital investment with ACE to refurbish South Street Arts Centre and redevelop it to offer a mix of theatre, poetry, comedy and music in an intimate environment. The improvements have focused on creating a more flexible space to increase the financial sustainability of the venue.
- Successfully driving up income to circa £3m at the Hexagon, a 1600 seater performance venue which delivers a popular programme of touring product from rock, pop, drama, musicals to comedy as well as pantomime and a classical season. As well as being popular with adults, the Hexagon has featured in a list of top children's venues in the Telegraph.
- Re-development of the Town Hall and Museum along with its historic Concert Hall, café and a range of spaces for commercial hire to maximise income generation opportunities. This has included the relocation of a range of services as part of the wider corporate asset strategy.
- The Abbey Project, with HLF funds to restore the Abbey ruins, deliver interpretation and a five-year activity programme as well as associated improvements to Reading Museum. This includes the fascinating possibility that another King of England, Henry I, could be found under another car park – this time under the tarmac at Reading Prison.
- Modernisation of the library service, including replacement of the libraries management system, introduction of Wifi and self-service technology. The libraries review is resulting in community hubs with co-located services with children's centres and other services. This is a well-supported approach nationally to reducing costs while maintaining the core values of a library service. Particularly impressive was the individual approach taken to each area so the most effective solution was arrived at, rather than applying a one size fits all approach.

The 2016 'Year of Culture' aimed to raise Reading's profile and reputation as a cultural destination with a coordinated programme of hundreds of arts and cultural events. The programme was managed by Reading UKCIC. They levered in £100k private sector sponsorship in addition to ACE's 'Ambition for Excellence' funded contribution. Increasing collaboration in recent months – particularly with the University and Reading UKCIC - have stimulated a raft of ambitious partnership projects including an ACE application for joint National Portfolio Organisation (NPO) status for the University's Museum of English Rural Life and Reading Museum; an application to the Great Place scheme; a new Cultural Education Partnership, the new Reading on Thames festival and the University's new Institute of Heritage and Creativity.

6. Feedback

6.1 Are you maximising financial sustainability and resilience?

Reading Council is facing a very serious budgetary deficit. Managers and staff understand the need to develop a commercial approach across cultural services and for this to sit alongside public service values. The peer team found cultural services staff to be creative, entrepreneurial and focused on income targets. They demonstrated a clear desire to significantly reduce or remove the need for public subsidy where possible and to deliver high quality public services. Three examples are the increased box office income at the Hexagon due to effective programming and contract negotiations, the reconfiguration of facilities at the Town Hall to drive up income generation, and the scale and demand for the museum handling boxes.

However, internal processes and procedures are acting as barriers to 'doing business', for example the ability to respond quickly to HR matters such as increasing the number of casual staff at short notice to meet demand, or the inflexibility of the IT contract to allow the teams to successfully market services through social media. Removing these internal corporate barriers at the center would enable officers to compete for 'business'.

Partners recognise the financial constraints on the Council. They are keen to move forward at pace but at times are constrained by the Council's inability to respond quickly or reluctance to delegate control where appropriate. This can be overcome by the Council agreeing a set of shared priorities and seeking ways to facilitate priority initiatives at little or no cost to the Council or on the basis of their added social or financial value.

The strength of operational collaboration with the University on the cultural programme is impressive and has directly influenced the establishment of the University's Institute of Heritage and Creativity. The strategic relationship with the University holds a great opportunity to be developed further to increase the appeal of the town to students and staff, expand research and innovation, provide student work experience opportunities, and increase graduate retention. This also enables the Reading economy to benefit more from the innovation generated from a live programme of University led local graduate opportunities and student placements. De Montfort University's '#DMUlocal' programme provides an interesting model for university engagement.

A coordinated and close working relationship with Reading UKCIC holds great potential but at the present time there appears to be some disconnect. The relationship would benefit from a strategic conversation with senior elected members and officers about respective roles in relation to arts and culture and place shaping, as part of the wider economic development focus. There is a real opportunity to build on the successful role Reading UKCIC took in delivering and contributing to the Year of Culture, their declared support for the arts and culture sectors in Reading, and their desire to co-invest into the delivery of the place shaping agenda. The peer team believe that the relationship between the Council and Reading UKCIC is a mature one and both parties are confident enough to develop a meaningful and rewarding commissioning relationship – with targets agreed and set - that will achieve significant outcomes.

6.2 In your review of cultural partnership, how might you reshape this to reflect more recent developments and to drive and add value to the delivery of the Culture and Heritage Strategy?

Following the Year of Culture, there is a well-articulated demand for the partnership structure to be re-engineered. The Council is aware of this but has yet to agree with partners how best to reconfigure it.

The ambition expressed by a wide range of individuals for art, culture and heritage in Reading is both impressive and carries with it a real investment for the sector. It is an opportune moment to review the whole landscape of the Council's governance arrangements for the arts, culture and heritage including all partnerships, forums and committees to redesign the role of the Council as a strategic leader in this field. Currently the partnerships, forums and committees are so multi-faceted it has led to a lack of clarity about decision making and authority.

Our recommendation is that you refocus the governance structure for the sector, establishing a clear governance pyramid and identifying a leadership role for the Council which is agreed by all partners. The new arrangements would enable strategic planning and programming; design and deliver investment strategies; oversee commissioning; and provide overall programme governance to ensure the delivery of outcomes.

A starting point could be a reformed Cultural Partnership Board hosted by the Council and including representatives of the leadership from the University and Reading UKCIC. This Board could be supported by the Cultural Partnership Executive group, an officer working group comprising senior representatives from all three institutions. The relationship with the Council's Housing, Neighbourhoods and Leisure Committee and its role in making recommendations and decisions also needs to be established. The current Arts and Heritage Forum would provide the open access networking forum embracing representatives from across the arts, culture and heritage sectors. The already high-functioning and well-regarded Cultural Education Partnership would remain as it is focusing on its specialist interest area.

6.3. What else could you be doing to secure private sector investment into the delivery of culture?

The Council has made great strides in increasing external investment in culture. We would widen the scope of this point to be about 'investment' per se rather than a sole focus on the private sector. There are opportunities to develop giving from the position of Corporate Social Responsibility, philanthropy, sponsorship and support in kind. The Council would benefit from agreeing a fundraising strategy with Reading UKCIC, the University and sector partners. Reading UKCIC has demonstrated their appetite and aptitude for delivering some of the key priorities of the Culture and Heritage Strategy and it would be beneficial to confirm and consolidate their role in place shaping, using arts, culture and heritage as an economic driver.

The people we met at the Council understood the importance of the authority's place shaping role. The Council as a whole should focus its efforts on encouraging and

enabling innovation with partners and officers, removing barriers that slow the pace of change or obstruct their ability to do business. As stated above we found cultural services staff to be commercially focused but they now need the tools to do the job and run the 'businesses'. Sometimes Council processes can work against these requirements and can be inflexible. Inviting some of your key staff and partners such as Reading UKCIC, to advise on business practice and the tools and changes that could help equip officers in a competitive environment is likely to generate some quick wins.

As the business culture develops you will need to consider your capacity to market your service and the skills required to make sales. We can suggest potential external sources of support for this if required. In addition, Barnsley Museums and Tyne and Wear Museums and Archives have both set up interesting models for Development Trusts for the purposes of fundraising without any operational responsibilities.

Overall we noted that there should be improved coordination of marketing of the cultural offer across Reading. Developing this will become increasingly important if Reading is to maximise its potential as a visitor destination in the future.

6.4 What else could you be doing to maximise the contribution of culture to key corporate priorities and community outcomes?

You set out to us in the introductory session the Council's firm commitment to tackling inequality and we heard from staff that they were aware of local analysis setting out needs, such as the JSNA. However, we found insufficient clarity about how this commitment can be achieved and believe you have some way to go before you can evidence that you are meeting the needs of your diverse population. While we heard some examples of good practice, diversity did not have the prominence we might have expected. For example, among the Key Performance Indicators you provided, only the adult education service is reporting on how well you are meeting the needs of your fast expanding BAME population, people with disabilities or those on low incomes.

Unless equality and diversity related data is collected and analysed, there is a risk that you base your services on assumptions rather than hard facts. Other authorities are well placed to share good practice in this area, for example Leicester City Council which was awarded Beacon Status for Culture and Sport for hard to reach groups and which is likely to be the first local authority outside of London to have a non-white majority population.

Understanding audiences through detailed customer insight not only enables provision of a more equal service, leading to increased engagement and participation, it also makes good business sense. A comprehensive approach to data capture and improving customer insight should be adopted, utilising tools such as "Mosaic" and "Audience Finder" which require a small level of investment but which should reap rewards. This would also be useful in the development of the Abbey Project.

Staff have a good understanding of the contribution their services make to corporate priorities but as a service you need to capture and evidence this more effectively and agree priorities with commissioners, the corporate centre and the political leadership. You could do more to share your key successes and plans with internal partners to let

them know your contribution to corporate priorities and to enlist their help in delivering the ambitions of the Culture and Heritage Strategy.

There are some excellent examples of performance management, linked to corporate and service priorities, for example a robust set of indicators in the library service which are regularly monitored and reported. All of the services need to be able to demonstrate the 'golden thread' running from strategy to delivery and have in place a performance management system that provides visibility and timely reporting. This will enable political and managerial overview and inform decision making. A review of your performance management framework is advised to ensure it is focused on outcomes, monitors progress and provides appropriate visibility to senior officers and elected members. In addition, producing some resources – from case studies to a prospectus – would help you to celebrate good practice and to use as an advocacy tool. Writing up your key successes as case studies for the consideration of the LGA or Arts Council for their websites would be a quick win. As early adopters in developing a Cultural Education Partnership, Reading has a real opportunity to showcase its good practice in this area.

7. Next steps

Immediate next steps

The peer team appreciate the senior managerial and political leadership will want to reflect on these findings and suggestions in order to determine how the organisation wishes to take things forward.

As part of the peer challenge process, there is an offer of further activity to support this. The LGA is well placed to provide additional support, advice and guidance on a number of the areas for development and improvement and we would be happy to discuss this. Mona Seghal, Principal Adviser, is the main contact between your authority and the Local Government Association (LGA). Her contact details are: Email mona.seghal@local.gov.uk and Mobile 07795 291006.