

DRAFT SAVINGS PROPOSAL

London Borough of Tower Hamlets
Medium Term Financial Strategy 2021-24

Proposal Title:	Cessation of 'Free' Community Events provided for LBTH Arts Parks & Events		
Reference:	SAV / CHI 002 / 21-22	Savings Type:	Reduction in provision
Directorate:	Children & Culture	Savings Service Area:	Cultural and related services
Directorate Service:	Sport Leisure & Culture	Strategic Priority Outcome:	8. People feel they are part of a cohesive and vibrant community
Lead Officer and Post:	Stephen Murray, Head of Arts Parks and Events	Lead Member and Portfolio:	Cllr Sabina Akhtar, Cabinet Member for Culture, Arts and Brexit

Financial Impact:	Current Budget 2020-21	Savings/Income 2021-22	Savings/Income 2022-23	Savings/Income 2023-24	Total Savings/Income
Budget (£000)	298	(248)	-	-	(248)

Staffing Impact (if applicable):	Current 2020-21	FTE Reductions 2021-22	FTE Reductions 2022-23	FTE Reductions 2023-24	Total FTE Reductions
Employees (FTE) or state N/A	N/A	N/A	N/A	N/A	N/A

Proposal Summary:

The proposal is to:

- Earmark an annual £50k budget to:
 - o Celebrate 50 years of Bangladesh's Independence in 2021/22
 - o Deliver the Mela in 2022/23 and in future years
- Change the way that the Mela is delivered in future
- Stop funding an annual fireworks display

Covid-19 has prevented public events from taking place this year and is also likely to have an impact on events next year, particularly very well attended events such as the Mela (an estimated 45,000 people attended in 2019) and the fireworks display (an estimated 80-90,000 people attended in 2019). Given this situation, and the enormous financial challenge facing the council, it is proposed that the Mela is delivered differently in future and that the fireworks are stopped altogether.

The £50k earmarked budget will help support cultural activities connected to the 50th anniversary of Bangladesh in 2021/22. In 2022/23 and beyond, the £50k budget will help support a community driven and resourced Mela.

In 2019 the Mela had a General Fund contribution of £146k, and the Fireworks received a General Fund contribution of £152k. This is not sufficient to fully fund the cost of these events as it only generates a small amount of income. In 2019/20 it was subsidised by other income sources, mainly AEG income. Without this subsidy there would have been a further pressure on the General Fund of £219k.

	£k
Total cost of Mela 2019	310.7
Funded by	
Income generation	42.6
General Fund Budget	146.0
Total funding available	188.6
19/20 Budget Pressure	122.1

Total cost of Fireworks 2019	285.7
Funded by	
Income generation	36.8
General Fund Budget	152.0
Total funding available	188.8
19/20 Budget Pressure	96.9

The proposals above will ensure that the important 50th anniversary is celebrated and that a local Mela can continue to be held, whilst providing savings to the council in a very difficult financial climate.

Risk and Mitigations:

The major risk is reputational damage to the council.

Mitigation strategies may possibly include a strategy to introduce charges and ticketing at the events. However, given the practical difficulties in doing so, there would be a high risk of this being insufficient to cover the full costs of the events.

Similarly, seeking full sponsorship for the events would be possible but again there would be a high risk of this not covering all the costs of the events.

There is some risk in that as there are already savings generated from earned income in the parks; if these income sources were to fail, then the savings would have to be found elsewhere including staffing which would impact on our ability to generate further income.

Resources and Implementation:

No resources required

Once the decision is made, work would commence to form a reference group to look at reimagining the Mela, informing key contractors and stakeholders that the Fireworks would be ceasing, with the savings being realised in 2021/22.

SAVINGS PROPOSAL – BUDGET EQUALITY ANALYSIS SCREENING TOOL

Trigger Questions	Yes / No	If Yes – please provide a brief summary of how this impacts on each protected characteristic as identified in the Equalities Act 2010. This will need to be expanded in a full Equality Analysis at full Business Case stage.
Does the change reduce resources available to address inequality?	No	
Does the change reduce resources available to support vulnerable residents?	No	
Does the change involve direct impact on front line services?	No	
Changes to a Service		
Does the change alter who is eligible for the service?	No	
Does the change alter access to the service?	No	
Changes to Staffing		
Does the change involve a reduction in staff?	No	
Does the change involve a redesign of the roles of staff?	No	

Summary:	
To be completed at the end of completing the Screening Tool.	
Based on the Screening Tool, will a full EA will be required?	Yes

Additional Information and Comments: