

APPENDIX F

Minutes of a meeting of the **JOINT PERFORMANCE MONITORING PANEL AND POLICY DEVELOPMENT PANEL** held in the Council Chamber, Council Offices, Priory Road, Spalding, on Wednesday, 4 May 2022 at 6.30 pm.

PRESENT

B Alcock (Chairman)

A C Beal	R A Gibson	J L Reynolds
F Biggadike	M Hasan	G T D Rudkin
H J W Bingham	J L King	G P Scalese
M D Booth	J D McLean	A C Tennant
C J T H Brewis	A M Newton	J Tyrrell
T A Carter	N H Pepper	S C Walsh
	P A Redgate	A R Woolf

Apologies for absence were received from or on behalf of Councillors J Avery, A C Cronin, S-A Slade and D J Wilkinson.

In Attendance: The Assistant Director – Leisure and Culture, the Head of Delivery, the Democratic Services Manager and the Democratic Services Team Leader.

13. ELECTION OF CHAIRMAN

Councillor B Alcock was elected as Chairman for the duration of the meeting.

14. APOLOGIES FOR ABSENCE

The Panel was advised of the following substitution for this meeting only:

- Councillor A M Newton was replacing Councillor A C Cronin

15. DECLARATION OF INTERESTS

There were none.

16. SOUTH HOLLAND CENTRE TASK GROUP FINAL REPORT

Consideration was given to the report of the South Holland Centre Task Group, which presented its Final Report to the Joint Performance Monitoring Panel and Policy Development Panel for consideration.

The Chairman of the Task Group, Councillor B Alcock introduced

Action By

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the report – he thanked all members of the Task Group, officers that had supported the process and all those individuals who had given evidence.

Members considered the report and the following issues were raised:

- It was noted that an external consultant had been appointed to oversee the re-opening of the Centre – was the consultant still in post?
 - It was confirmed that this had been a temporary appointment until a manager was in place. The external consultant was no longer employed as a manager was now in place.
- The term ‘caterers’ had been used throughout the report however, it was not felt that this was an appropriate term to apply to the situation that had been in place until recently. ‘In-house’ or ‘on-site restaurant’ should be used instead, to clearly reflect the situation as it was.
- Paragraph 6.14 within the report stated ‘The Task Group found difficulty in understanding the management structure and identifying where the overall responsibility actually resided. As the authority had been trying to minimise the financial support, it is surprising that the governance and scrutiny arrangements have been felt to be satisfactory for so long’ – it was felt that this paragraph summed up much of what the current issues were.
 - The Chairman of the Task Group responded that the statement within the final report, that operating the Centre should be undertaken more akin to running a business than operating a service, summed up what the Authority needed to consider. A subtle, rather than a dramatic change was required to change the emphasis going forward.
- Running the Centre as a business seemed a good idea however, it seemed that the direction of travel had been established prior to the formation of the Task Group.
 - The Chairman of the Task Group confirmed that this was not the Task Group’s recommendation currently, as the Authority had already considered the future and made radical changes, especially with regard to the number of employees at the Centre. The decision had been to try and run the venue in a similar way as before, but with lower overheads. If

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Cabinet decided that the alternative option should be examined, this would require another piece of work.

- Members responded, asking what the timeframe for this would be. Would it be worth including this within the report?
 - The Chairman commented that there were some timelines in the report where, for example, the Task Group had suggested that, for example, a three-year business plan be produced within a certain period of time. After this had been produced, there would be a monitoring exercise to track how this was being followed. If it was not being followed, this could be the point at which reconsideration of the way forward could take effect.

- Members commented that the Centre occupied a prominent location in the town. As such, it would be an ideal place for a proper information centre.
 - The Task Group Chairman agreed with this comment and stated that this had been included within the report as an aspect to be developed. It was clarified that this was included at recommendation 2d.

- Some members were disappointed by the length of the recommendations within the final report – it was felt that many of them related to monitoring and that there was a lack of more robust recommendations. For example, in view of the task ahead, the report should state that an experienced arts centre manager was required.
 - Officers and the Task Group Chairman responded that there had been a manager in place for some months, who had come to the role highly recommended. The Chairman also stated that the Task Group did not underestimate the size of the task ahead of the new manager.

- Members responded that there were certain recommendations which could be ‘quick wins’, such as improvement of the social media platform.
 - Task Group members agreed that there were a large number of recommendations however, there was much for the Cabinet to consider and it was hoped that the recommendations would be agreed.

- Members thanked the Task Group for producing the report within the time that it had. It was important that there was regular monitoring to ensure that the situation improved – the

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Centre could not continue losing money for the Authority.

- Members felt that this was an honest report and the following points were made - 1) Paragraph 6.3 of the Final Report suggested the use of bolder colours and uplifting the front elevation of the building – any colour change should not be too bold; 2) Paragraph 6.5 of the report stated that virtually all those interviewed appeared enthusiastic to see the South Holland Centre continue to provide a broad service to the community - what did the others think? 3) Paragraph 6.9 of the report stated that the lighting and projection equipment in the auditorium could need replacing at some point – what was the cost of replacement; 4) One of the areas of concern picked up by the report was regarding repairs to the building’s basement – it was stated that the two meeting rooms were basically out of use and used as stores for outside organisations – was a charge being made for this storage facility; 5) Were mixed messages being sent out – staffing had been substantially reduced however, paragraph 6.26 suggested that extra staff were required to provide a fuller service; and 6) It was agreed that the Authority should not be subsidising the Centre as much as it had been, it needed to be efficient and marketing had to improve. However, one of the individuals interviewed had stated that money was not the only consideration, and this was an important point.
 - The Task Group Chairman responded that the Authority had to decide how much public money it would be prepared to use in order to continue with the provision of the arts. Currently, the main driver had been that the subsidy should be minimised.
- Members agreed that the Authority needed to make a decision on the direction it wished to take.
- Members commented that advertising and marketing, particularly on the website, had been identified as an area for improvement. However, although there was still some way to go, it was pleasing to see that some areas of concern had already been picked up and were improving, even though this was not reflected with the report.
 - The Task Group Chairman acknowledged that the report reflected a particular moment in time and that progress would naturally be made – it was a fair point to acknowledge the changes that had already been effected to date.
- It was noted that within the Task Group’s Conclusion at section 7 of the final report, it was stated that ‘....other delivery

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options could be used; a charitable organisation with trustees responsible for delivery, or a commercial organisation'. Had the Task Group pursued these options in any detail as part of its work?

- The Task Group Chairman confirmed that these options had not been pursued as the Authority's present direction of travel had been established before the Task Group had been set up. If alternative vehicles for the running of the Centre were to be considered, the Task Group would need to undertake additional work in this regard.
- Members commented that the Centre had been built on the old foundations of the previous building and as a result, the Authority would always need to spend money rectifying any issues. It was also stated that the venue should not be operated purely for profit.
- It was stated that the work of the Task Group had started in September 2021, just as Covid restrictions began to be lifted. The Centre was adjusting to the new staffing structure, and elements of some of the suggestions put forward were being addressed already. There were many recommendations, but these related more to process and scrutiny and what was wanted from the Centre. It was clear that the Centre was an important asset to South Holland and that people needed to use it, be entertained there and for there to be a good customer experience. If the Centre was to continue running with a reasonable level of subsidy, it was important to ensure that residents continued to use the facility.
- Members commented that the Centre was an important building in a central location, and it needed to be cost efficient, although it was felt that it would not be profitable for some time. The Task Group had identified that the recent changes to operations had been too severe, potentially resulting in the building not being able to be used properly. There had been complaints that customers could not access the building to book events (in person or by telephone), and not all users wished to book online. Opening hours were not clearly advertised. The new Centre Manager was keen to make the venue succeed and had already made some positive changes, but there was still much to do. It was important to get the public back into the building by having shows/screenings that the public wanted to see, and also to make it easier to hire the facility.
 - Officers advised that there was signage on the door

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of the venue advising of opening hours, and these were also on the website.

- The Task Group Chairman responded that the recommendations were a set of signposts – they were not necessarily specific, but the recommendations and ideas should point to a direction of travel for the way forward. Better promotion of larger events, particularly in the Function Hall space had to be considered, in addition to future caterers considering a more entrepreneurial way of using the space.
- The building was an asset for the community – there would always be a necessary level of subsidy but it was important that the venue was run in the future in a way that kept this as low as possible. There appeared to have been a lack of leadership, governance and monitoring, or how to get the best out of the building.
- The staffing changes to the Centre had been made prior to the Task Group being set up. Did the Task Group feel that enough drive and enthusiasm had been allowed to make the venue successful?
 - The Task Group Chairman commented that the Task Group had felt that a sharper focus was required.
- Some members did not support the suggested ticket price increase (recommendation 1c within the report). There could be other means of ensuring profitability without doing this.
 - The Task Group Chairman responded that there was a need to be realistic, in light of the fact that external forces such as the increased cost of energy could mean that prices may have to rise. The cost of events was competitively priced against similar venues. In addition, with a modest increase in attendance, there could be a dramatic effect on the bottom line, and promotion and use of social media in this regard was important in achieving this.
- It was noted that Colin Ward (Live Promotions) had been interviewed by the Task Group – he had many years of experience in entertainment. Was there a summary of his views, and did he think that the venue could be successful?
 - The Task Group Chairman advised that his observations had been woven into the report, that he totally supported the venue and that he was willing and anxious to ensure that the Centre was successful. His expertise was available if

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requested. He felt that the Centre could be successful, either in its present model, or by way of another operational model.

- Appendix D to the report listed some indicative South Holland Centre performance metrics to be considered by future committees. It was suggested that tracking of mailing lists, and how these contributed to performance be included on the list.
 - It was agreed that this addition should be taken forward.
- The Assistant Director, Leisure and Culture stated that following agreement by members of the recommendations within the report to Council in July 2021 to reduce staff numbers, progress had been made at the Centre. The Centre now operated differently to how it had done previously, the public were returning to the venue and progress was being made. Officers had taken away the comments from the Task Group report and would report back quarterly on the performance of the Centre. The industry as a whole was recovering following the Covid pandemic and it was hoped that public confidence would also increase. It was important to review some elements, such as provision of Tourist Information, marketing and provision of access. He hoped that now the new manager and team were in place, that members would see that the Centre would be undertaking more work in the way of promotion. With regard to financial planning, work was being undertaken for the next round of Arts Council funding, and in respect of the budget, the outturn for the current financial year showed substantial savings. Finally, it was reported that the Assets Team were currently addressing the situation regarding catering provision.
- The Task Group's Lead Officer thanked all members of the Task Group for their contribution and support to the Group.

AGREED:

- 1) That, as detailed within the Task Group Final Report, the recommendations detailed at (2) below be submitted to Cabinet, with the following amendments/additions:
 - That in reference to the outgoing caterer, an alternative reference (other than caterer) be used; and
 - That an additional performance metric be added to the list detailed at Appendix D to the report, to monitor mailing lists

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and how these contributed to performance;

2) Recommendations to Cabinet:

Recommendation 1: Improve Commercial Activities and Opportunities

- a. Create a fully costed three-year business plan to achieve the Council's objective of progressively reducing the financial support. The plan to have been fully scrutinised and in operation by 31st October 2022 with follow up scrutiny, initially quarterly and subsequently half yearly.
- b. In creating the business plan establish a years' rolling programme for all areas of the centre to support that objective, by 31st October 2022 but the sooner the better.
- c. Review ticket prices taking into consideration comparison and opinions from internal and external sources by 31st July 2022
- d. Review the other hire costs and establish if there is any room for increase, bearing in mind the rise in cost of utilities. Also examine whether a better return could be obtained by the authority by moving to a percentage return, in some instances, instead of purely hiring space. By 31st August 2022.
- e. Substantially increase the added sales in the auditorium. Work with the on-site caterers to generate more income. Jointly be more aggressive in making available and marketing meals before and after performances, benefitting from a percentage of the take. Demonstrate achievement by 31st October 2022.
- f. Within all marketing turn availability of parking into a positive. Look to scope a system of refunding of car park charges if centre used on the same day for film / live promotion. (By 31st July 2022)
- g. Enable better and wider use to be made of the Foyer to encourage more use of the building including opening at more convenient opening times and more days for the general public's convenience. Display opening times, telephone numbers and online options for booking, to be visible outside the building.
- h. Broaden the use of building to bring more people into the centre (Tourism, District wide functions for example) for the benefit of the centre and caterers alike.
- i. Seek to team up with a Wedding Organiser to promote the joint venues for ceremony and reception.
- j. Investigate ways to achieve the wider use of the Function Room and report by 31st October 2022.
- k. Liaising with local organisations to put on some performances that will draw maximum attendance. (For example, events that

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include youngsters where parents and grandparents will be keen to attend)

Recommendation 2: Improve Marketing / Promotion and Programming

- a. Undertake a complete review of all promotion, advertising, marketing, management of database and website, for the whole facility, together with a program to keep regularly refreshed and submit to the appropriate panel or committee by 31st July. (The website needs to be attractive, easy to use, kept up to date with a forward program of films, shows, events and facilities available for at least a rolling year. Greater use of social media and any other appropriate medium should be regularly used. The database should be re-established and regularly used to inform. 'Membership' should be created giving early notification of future activities with incentives to encourage early commitment. Films or shows with slow bookings to be more aggressively marketed with late offers where appropriate.)
- b. In conjunction with (a.) above, create a promotional and marketing campaign, for the whole of the facilities available at SHC to the public and businesses alike, as soon as possible but by 30th September. Raise the whole of the public's perception, image and profile of the Centre.
- c. Enhance the marketing material for the Function Room to include images of it in use.
- d. Improve the building's noticeability within the town centre and enhance its presence creating an information and promotional centre for the building activities, the town, the parishes and district as a whole.

Recommendation 3: Undertake Operational Improvements

- a. Become more effective in obtaining a better deal for films. Get films near the release date and make more use of previous adult and children's blockbusters to plug gaps in the program. Include consideration for section of the general public with higher disposable incomes by ensuring films are shown at times convenient to them with possibly different films shown in afternoon to those in the evening.
- b. Make use of external expertise, where appropriate, to obtain better deals on films and live performances which have greater appeal.
- c. In evolving delivery of the cultural and arts program, part of which is to comply with Arts Council expectations but unlikely to make a surplus, seek to work around high demand times for

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films/shows. To help sustain the program of cultural and arts actively seek to establish sponsorship from businesses as well as individuals. The centre has benefitted from this approach before.

- d. Actively create a group of volunteers / supporters who are willing to give extra support when needed. However, hirers should be required to steward their own activities with any additional support chargeable.

Recommendation 4: Establish Improved Governance

- a. Set up robust governance and scrutiny arrangements by 31st July 2022 and report to next meeting of the appropriate committee. (Appendix D)
- b. Create a much more user friendly and clear to understand financial reporting system to assist management day to day and have it agreed by 31st August 2022. This information needs to be available quickly and a more user-friendly management tool.
- c. Use analytical data capacity of the authority to better understand the likely return from the various program options and be prepared to take a commercial approach in the balance of the program.
- d. To give greater clarity review the management structure to ensure the necessary skills, particularly financial management, are available and the line of responsibility is as short as possible by, 31st August 2022. (To assist, include consideration of establishing 'a Board of two councillors and one non councillor')

Recommendation 5: Enhance Building Maintenance and Useable Space

- a. Agree a 12-18 month rolling costed maintenance plan to ensure the building is brought up to and maintained to a higher standard to include dealing with the items highlighted in the report. (By 31st July 2022)
- b. Review and rationalise the office space that is essential. Improvement in the working environment to be a priority within the maintenance plan. Should there be surplus office space research how it can be offered to the market or made available for other income generating activities.
- c. Bring the basement rooms back into income generating use either through public use, office accommodation, storage or a more entrepreneurial solution.

Recommendation 6: Action Plan

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Produce an Action Plan within two weeks of the of the report being accepted to ensure the recommendations are brought forward in a timely manner and to ensure there is clarity around which service areas are responsible for delivering each recommendation. The Action Plan to be submitted to a meeting of the Task Group and progress regularly monitored by the task group until the first presentation to PMP.

17. ANY OTHER ITEMS WHICH THE CHAIRMAN DECIDES ARE URGENT

There were none.

18. EXCLUSION OF PRESS AND PUBLIC

DECISION:

That, under section 100A (4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of part 1 of Schedule 12A of the Act.

19. SOUTH HOLLAND CENTRE TASK GROUP FINAL REPORT - APPENDICES B AND C

Members considered the budgetary information detailed within the exempt appendices attached to the report, and an explanation on local authority accountancy practices and how this impacted on the information provided was given.

(The meeting ended at 7.53 pm)

(End of minutes)