

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 Thursday, 18 April 2024 at 6.30 pm.

PRESENT

B Alcock	S Chauhan	S Hutchinson
D Ashby	L J Eldridge	J L Reynolds
J Avery	M Geaney	G P Scalese
P Barnes	R A Gibson	S-A Slade
A C Beal	A Harrison	T Sneath
C J T H Brewis	M Hasan	A R Woolf

Apologies for absence were received from or on behalf of Councillors M D Booth, N Chapman, J Le Sage, M Le Sage and J Whitbourn

In Attendance: The Deputy Chief Executive – Communities, the Assistant Director – Leisure and Culture, the Interim Cultural Services Manager, the South Holland Centre Manager *virtual*, the Portfolio Holder for Communities and Operational Housing and the Democratic Services Officer.

1. ELECTION OF CHAIRMAN

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

2. DECLARATION OF INTERESTS

There were none.

3. SOUTH HOLLAND CENTRE ACTIVITIES AND PERFORMANCE UPDATE

Consideration was given to the report of the Assistant Director – Leisure and Culture which provided an update on the progress and performance of the South Holland Centre (SHC).

The Deputy Chief Executive – Communities introduced the report by stating that:

- The update to the Joint Performance Monitoring Panel and Policy Development Panel at the current meeting had been arranged in order to receive maximum member feedback from both SHC Task Group committees;
- The report and associated presentation given to members

Action By

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at the meeting (and appended to the minutes) outlined an improving performance trajectory for the venue; and

- Further developmental work was planned and in progress.

The Deputy Chief Executive – Communities outlined the following main points detailed within the presentation:

- The focus of ongoing work and outcomes to date, which included:
 - To increase income; to explore different operating models and opportunities; to explore development of the catering offer; to capitalise on funding opportunities; and to improve and increase marketing activity;
- The focussed approach taken, progress and headline data in respect of the following four key objectives:
 - Objective 1: 'Improve the overall quality of our service including the building itself and programming in line with our customer's tastes and interests';
 - Objective 2: 'Define and implement a marketing strategy creating a roadmap for future growth and business development';
 - Objective 3: 'Ensure that our operation offers our residents the best value for money by minimising costs where possible'; and
 - Objective 4: 'Explore alternative delivery solutions for the operation of the South Holland Centre'.

Members considered the update and presentation and raised the following points:

- Members welcomed the presentation and progress update;
- Members were encouraged by the inclusion of some targets within the report and of the progress made by the SHC including, notably, the good work of the current team; members praised the SHC Manager for her contribution to the progress achieved;
- Members stated that the performance of the SHC needed to be monitored against known financial targets and concern was expressed that neither a Business Plan nor financial targets had been provided, despite repeated requests;
- Members stated that, as the SHC was effectively being run as a business, the projected financial position of the SHC for the year ahead should be known and made available to the Panel. Revenue and cash flow projections, which anticipated a 'surplus', 'deficit' or 'break even' year-end position against targets needed to be forecasted and made available to members at intervals during the year. This was

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- distinct from the end of year accounts which solely 'looked back' at the actual position of the previous financial year;
- Members requested that the financial data for the SHC be extracted from the Medium-Term Financial Strategy and circulated to the Joint Panel as soon as possible and that updates be at least annually;
 - Members added that the financial figures be made available for a rolling five-year Business Plan; where different delivery options were being considered, figures were requested which corresponded with those different options and assumptions; members declared an understanding of the flexible nature of planning for multiple future eventualities and acknowledged that circumstances could change but nonetheless there was a requirement for members to understand the financial position/potential financial position of the SHC through the production of a five year plan;
 - Members noted that improvements had been made to the SHC website but suggested that further improvements be made to the promotion of the bar and catering offer to help increase sales;
 - Some members highlighted the programme and fabric of other regional venues and suggested that SHC may learn from the best practice of external venues; other members acknowledged the larger capacity of external venues and which therefore challenged the usefulness of direct comparison exercises;
 - Members suggested that a local theatre/restaurant incentive scheme be explored;
 - Members stated that any consultations/surveys undertaken by SHC needed to capture responses from non-users as well as users of the venue;
 - Members expressed concern that the operation of the SHC could be contractually outsourced to a third party and queried the success of such an approach which had been implemented at an East Lindsey venue; members particularly queried whether such arrangements had incurred costs or achieved revenue for the council;
 - In respect of revenue, members wished to be informed of SHC's ticket pricing strategies and whether income from pantomime was being maximised;
 - Some members suggested that a change of venue name to incorporate the word 'Theatre' rather than 'Centre' would assist with the promotion of the venue's activities however other members cited challenges to any such rebrand due to the multi-purpose nature of the venue. Nonetheless, members agreed that the general public needed to have a

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clearer message about the SHC's offer through strategic marketing and development of the catering offer to attract visitors to the venue and in turn, the town centre itself.

The Deputy Chief Executive – Communities responded that:

- The South Holland Centre was not a separate business entity but operated in accordance with the governance of the local authority;
- Information regarding financial matters was available through budget reporting which sits within the context of the Medium-Term Financial Strategy that outlines the financial position and plan for the Council and its services over a specified period. It was noted that members requested a Business Plan. A Business Development Plan had been produced noting however, further scenario planning work would be better informed following some of the actions in the Plan. For example, consideration as appropriate of different operating models and also any potential links with the Castle Leisure Centre;
- Nonetheless, the budget and the financial position were known, and the draft accounts demonstrated an improved picture; the publication of the year-end position awaited the normal due diligence regarding completion of the accounting procedures;
- Assurance was given that the budget was well-managed, and costs were closely monitored, including: direct and indirect staffing costs, premises, transport, supplies and services, transfer payments, support services, depreciation impairment losses, movement in reserves and overall income;
- In response to a member question regarding the success of external contractor provision, it was stated that the trust arrangement with Magna Vitae in East Lindsey provided good performance. In addition, early indications at Boston had shown that the contractor arrangement with Parkwood was positive. Any such arrangements in South Holland would be presented to members and required agreement at Full Council.
 - The Assistant Director – Leisure and Culture added that:
 - The contract arrangements at East Lindsey incurred a cost to the Council by way of a management fee in exchange for the provision of services;
 - A transition contract was in place for the development of leisure facilities in Boston where 'cost-plus' payments were made to the

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operator; and

- An external contract for leisure provision in South Holland was already in place.

The Portfolio Holder for Communities and Operational Housing responded that:

- In respect of budget management:
 - Every budget line of the SHC was closely monitored and reviewed by the Budget Manager;
 - Budget review meetings were undertaken each month between the Portfolio Holder, South Holland Centre Manager, the Interim Cultural Services Manager and the Assistant Director – Leisure and Culture; such reviews included, for example, the monitoring of new advertising spend, where performance would be fully assessed before resources were utilised on repeat activities;
- Regarding financial information:
 - Whilst the year-end financial position could be anticipated, the release of any final figures in respect of the year-end financial position awaited due process and confirmation by the accountants;
 - The SHC was a huge asset to the district however a five-year financial plan could not be produced due to the many variables at the current time; members would be updated on the position in due course;
 - The SHC's budgets and expectations were approved as part of the Council's annual budget setting process; this enabled senior staff to plan and anticipate performance; and
 - The extracted budget for the SHC would be sent to members of the Joint Panel after the meeting.
- In response to a query regarding catering, it was confirmed that the provision of catering for functions could be externally sourced;
- Whilst the suggestion of a name change was noted, a rebrand of the venue carried significant cost implications and the venue needed to be attractive to all;
- Focussed initiatives such as the 'Spring into Spalding' event and pantomime had attracted younger people to the venue for the first time, and future initiatives, such as the AV Club, aimed to increase younger visitors to the venue whilst developing skills for local people; and
- In response to comparisons of SHC's approach with other regional venues, it was stated that the SHC Manager had wide experience of the industry and brought both expertise and skills from working in much larger venues, which

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included London's West End.

The South Holland Centre Manager responded that:

- In respect of consultation with users, surveys had been circulated to those visiting the venue but a wider strategy was being considered to increase responses;
- Regarding marketing, hard copies of the programme had been re-introduced in August 2023 and were available for collection at the venue;
- In response to a question relating to the setting of ticket prices, it was stated that:
 - The mechanism for the setting of ticket prices varied according to contract arrangements of each show;
 - In the majority of cases, ticket prices were not determined by the SHC, for example: prices could be set by the promoter of a touring show, whereby a profit share arrangement with the SHC ensued; whereas when the venue was hired, the ticket prices were set at the discretion of the hirer; and
 - A ticket booking fee could be considered in the future.
- In response to a question from members regarding pantomime, it was stated that:
 - The annual pantomime was promoted to schools and the first two performance weeks were earmarked exclusively for school bulk bookings;
 - In the interest of the environment, pantomime programmes were available digitally;
 - Pantomime themed merchandise sold at the Box Office attracted income; and
 - Strategic promotion for pantomime commenced in January for the following December performances.

The meeting concluded with the following statements:

The Deputy Chief Executive – Communities thanked the Panel for the opportunity to update members and further confirmed that he was grateful to be able to present the improved performance currently being demonstrated by the SHC with more work to do. Assurance was given that the budget was well-managed but that the financial position awaited the normal due diligence in respect of the end of year accounts.

The Chairmen of the Performance Monitoring Panel and Policy Development Panel stated that:

- They had been encouraged by the progress made to date;
- There was acknowledgement that cultural centres which provided entertainment generally required financial

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support, however the ambition remained to help minimise the cost of the SHC to the district and therefore the need for requested financial data, including that of a five-year plan based on potential future operational model options, was strongly reiterated;

- The passion and commitment of the SHC Manager and Portfolio Holder for the venue was highlighted for particular praise; and
- The work of the SHC Task Group was not to be underestimated as it had enabled a focus to be placed on the SHC. The majority of the Task Group recommendations had been achieved however a focus on the marketing of the venue was now needed which it was hoped would drive future success for the SHC and the district.

AGREED:

- a) That the contents of the report be noted; and
- b) That the feedback of the Joint Panel be noted to further contribute to the ongoing development of the South Holland Centre.

4. ANY OTHER ITEMS WHICH THE CHAIRMAN DECIDES ARE URGENT

There were none.

(The meeting ended at 7.54 pm)

(End of minutes)