

VENUES REVIEW

<u>Report of the:</u>	Head of Legal and Democratic Services
<u>Contact:</u>	Andrew Lunt/Margaret Jones
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	N/A
<u>Annexes/Appendices</u> (attached):	<u>Annexe 1</u> – Venues Service Review Terms of Reference <u>Annexe 2</u> – Report of the Scrutiny Review Task Group on the Review of Venues – Bourne Hall and Hook Road Arena <u>Annexe 3</u> – Draft minutes of the meeting of the Audit, Crime & Disorder and Scrutiny Committee, 27 October 2016
<u>Other available papers</u> (not attached):	Agenda for the meeting of the Audit, Crime & Disorder and Scrutiny Committee, 27 October 2016

REPORT SUMMARY

This report presents the Community & Wellbeing Committee with the Report of the Scrutiny Review Task Group on its Review of Venues – Bourne Hall and Hook Road Arena, approved by the Audit, Crime & Disorder and Scrutiny Committee.

RECOMMENDATION (S)

That the Community & Wellbeing Committee:

- (1) receives the Report of the Scrutiny Review Task Group on Bourne Hall and Hook Road Arena (approved by the Audit, Crime & Disorder and Scrutiny Committee 11 October 2016) attached at Annexe 2;**
- (2) establishes a working party comprising the Chairman and Vice Chairman of the Community & Wellbeing Committee and Officers to undertake any agreed further investigations into securing improvements at Bourne Hall and Hook Road Arena;**

Notes

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| <ul style="list-style-type: none">(3) supports the £50,000 refurbishment of the kitchen at Bourne Hall from the repairs and renewals fund as contained within the 2016/17 revenue budget;(4) receives a fully costed business case identifying the funding sources for each project prior to the commencement of any improvement works at Bourne Hall. | |
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1 Implications for the Council's Key Priorities, Service Plans and Sustainable Community Strategy

1.1 The Report of the Audit, Crime & Disorder and Scrutiny Committee contributes to two of the Council's Key Priorities:

1.1.1 Supporting our community; and

1.1.2 Managing our resources.

2 Background

2.1 In June 2015 the Financial Policy Panel received a report which set out a work programme for preparing the Medium Term Financial Strategy. Service reviews made up one element of this work programme.

2.2 The Audit, Crime & Disorder and Scrutiny Committee agreed to include a service review of venues in its work programme. In February 2016 the Committee received a copy of the review Terms of Reference (attached at Annexe 1) and appointed a task group to undertake the investigation. Councillors Smitheram, Reeve and Bridger were appointed to the task group; Councillor Michael Teasdale, member of the Strategy & Resources Committee, was co-opted.

2.3 At the beginning of the review the task group agreed that it wished to concentrate first on Bourne Hall and Hook Road Arena. It agreed to return to the Playhouse and Ewell Court House at a later stage(s).

2.4 The task group commenced its investigation of Bourne Hall and Hook Road Arena at the end of February 2016. It continued with its investigation until early September 2016, undertaking 20 different meetings and site visits. In accordance with the review timescale, the task group reported its findings to the Audit, Crime & Disorder and Scrutiny Committee on 11 October 2016; the Committee approved the report and agreed that it should be presented to the Community & Wellbeing Committee on 8 November 2016.

3 Proposals

- 3.1 A copy of the Report of the Scrutiny Review Task Group on Bourne Hall and Hook Road Arena, approved by the Audit Crime & Disorder and Scrutiny Committee on 11 October 2016 is attached at Annexe 2. In accordance with the Local Authorities (Committee System) (England) Regulations 2012, the Community & Wellbeing Committee is asked to consider this report and its two recommendations.
- 3.2 Further work is required in order for precise proposals for improving the efficiency of the service to be developed. As such the recommendations of the task group suggest that further investigative work be undertaken; it directs attention of the Community & Wellbeing Committee to particular aspects of the service.
- 3.3 If the Community & Wellbeing Committee is minded to accept the recommendations of the Scrutiny Review Task Group, it will wish to give some consideration to the timescale and means by which the ongoing work is undertaken. It is proposed that the Community & Wellbeing Committee establish a working party to take forward any agreed further investigative work. This working party would comprise the Chairman and Vice Chairman of the Community & Wellbeing Committee and officers. No other members will be permitted to attend except by prior invitation.
- 3.4 It is understood that some of the matters highlighted in respect of Bourne Hall are being worked on currently. These include, issues around maintenance and decoration, the sound system and the kitchen. It was reported to the Audit, Crime & Disorder and Scrutiny Committee that officers intend to progress with refurbishment of the kitchen in early 2017, and that the catering contract would be addressed at that time. It will be relevant to consider these factors before deciding on further investigations/actions.
- 3.5 It is noted that some of the data provided to members of the Task Group were significantly out of date, and it was not possible to assess how robust all the figures were.
- 3.6 It is considered that more work will be required in order to explore and validate the links between current usage, proposals for expenditure and future potential use/income.
- 3.7 A member of the Scrutiny Review Task Group will be present at the meeting of the Community & Wellbeing Committee to answer questions.

4 Financial and Manpower Implications

- 4.1 The Scrutiny Review Task Group is not in a position to recommend a particular proposal as a preferred way forward. It has, however, recommended that specific areas, all of which have implications on service delivery at Bourne Hall/Hook Road Arena, be reviewed further. These areas have associated financial implications for the Council.

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- 4.2 In order for precise proposals to be developed, any options identified as a result of the scrutiny review will need to be evaluated fully on a financial basis (including any invest to save implications).
- 4.3 Any future investigative work planned will have manpower implications for the Council.
- 4.4 **Chief Finance Officer's comments:** The Scrutiny Review Task Group which has carried out a review of the Venues - Bourne Hall and Hook Road has identified a number of physical improvements which could be made to encourage utilisation and generate income.
- 4.5 The most significant items which have been identified are; repainting the banqueting suite and adjacent corridor estimated at £7,200, development of the main entrance to make more appealing (new plantings and renewal of the Council signage plus introduction of a digital advertising unit), replacement of audio visual equipment and the establishment of a strategic asset management plan covering a five year period to address the maintenance needs of the interior of Bourne Hall.
- 4.6 The report also notes that Officers are currently working on the issues of refurbishment of the kitchen facilities, maintenance and decoration and the audio visual system. It should be recognised that with the exception of the proposed kitchen refurbishment there is no funding available within the 2016/17 budgets to fund any of the other proposed improvements. It should also be noted that first indications are that the cost of the kitchen refurbishment could exceed the available funding in 2016/17 (£50,000). If it is not possible to contain the costs within the available funding alternative funding sources will need to be identified.
- 4.7 It is important that fully costed business cases are brought forward for consideration. This is so that the potential options for funding the proposed works at Bourne Hall can be fully considered by Strategy and Resources Committee as part of the 2017/18 budget setting process alongside the other competing priorities facing the Council. It is suggested that the Service Accountant is fully involved in the production of all the fully costed Business Cases which are brought for consideration for funding.
- 4.8 Council subsidy of each of the venues is shown below:

	Bourne Hall	Museum	Hook Road Arena
	£'000	£'000	£'000
Income	(310)	(3)	(57)
Expenditure	387	126	9
Central Support Costs	28	16	14
Net Subsidy (excluding Asset Rent)	106	139	(34)

*Hook Road Arena expenditure shown in the table above does not include costs of ground maintenance.

- 4.9 In order to address the four year budget gap identified of £1.837m in the Medium Term Financial Strategy, £556,000 of savings have been identified and agreed for 2017/18. Included within the £556,000, a £64,000 saving has been agreed for the review of venues. This saving has yet to be confirmed.
- 4.10 There is a predicted shortfall against the income target for lettings at Bourne Hall of £20,000 for 2016/17. This shortfall is likely to be £26,000 for 2017/18.

5 Legal Implications (including implications for matters relating to equality)

- 5.1 A number of different legal implications are associated with the matters highlighted by the task group in its report. The task group has touched very briefly on the surface of these legal considerations. The Council will need to give full detailed consideration to these matters before any final decisions can be made.
- 5.2 The Community & Wellbeing Committee will also need to give consideration as to whether any form of consultation is required and to its duties under the Equalities Act 2010.
- 5.3 ***Monitoring Officer's comments:*** Some of the key issues relate to fees & charges, property interests, and contracts. It will be important to consider the relevant implications before deciding on future actions. This could help plan future work. There would be little point, for example, in undertaking any work which might involve relocation/reconfiguration of the library, unless key principles were first agreed with Surrey County Council.

6 Sustainability Policy and Community Safety Implications

- 6.1 No particular implications.

7 Partnerships

- 7.1 Implementation of the task group's recommendations will necessitate close work with partners.

8 Risk Assessment

- 8.1 The Scrutiny Review task group has not undertaken a formal risk assessment process. However, implementation of the task group's recommendations will raise a number of risks to the Council which will need to be considered in any decision making process.

9 Conclusion and Recommendations

- 9.1 In November 2015 the Audit, Crime & Disorder and Scrutiny Committee agreed to undertake a service review of Venues. A task group, appointed to undertake this work, commenced its investigations at the end of February 2016 and completed its investigations at the beginning of September in order to meet the review timescale set out in the terms of reference.
- 9.2 The Audit, Crime & Disorder and Scrutiny Committee approved the report of the task group on 11 October 2016 and agreed that the report should be presented to the Community & Wellbeing Committee on 8 November 2016.
- 9.3 The aim of the scrutiny investigation was to ensure that services provided were fit for purpose, met the needs of local residents and were cost effective to provide. Although precise proposals have not been developed by the task group, matters which the task group consider are having an impact on efficiency etc. and therefore require further investigation are highlighted in its report.
- 9.4 The Community & Wellbeing Committee is asked to receive the report of the Scrutiny Review Task Group on Bourne Hall and Hook Road Arena. It is recommended that a working party be established to undertake any agreed further investigative work and that the committee support the £50,000 refurbishment of the kitchen at Bourne Hall from the repairs and renewals fund as contained within the 2016/17 revenue budget. Lastly, it is recommended that the Community & Wellbeing Committee receives a fully costed business case identifying the funding sources for each project prior to the commencement of any improvement works at Bourne Hall.

WARD(S) AFFECTED: (All Wards);