

To: City Executive Board
Date: 12th February 2014
Report of: Head of Human Resources and Facilities
Title of Report: OXFORD TOWN HALL STRATEGY

Summary and Recommendations

Purpose of report: To present a strategy aimed at ensuring the Town Hall remains the centre of civic and cultural life in the city; but on a more financially sustainable basis.

Key decision? No

Executive lead member: Councillor Bob Price

Policy Framework: Efficient & Effective Council

Recommendation(s):

That the City Executive Board:

- 1) Note progress on the operational plan and the commissioning of an options appraisal for future utilisation of the Town Hall;
- 2) Agree the proposed opening times at set out in Section 4; and
- 3) Agree the charging arrangements set out in Section 5 of the report.
- 4) Agree the changes to the budgeted income as set out in the table in Section 6 of the report

Appendices to report:

- Appendix 1: Revised pricing schedule
- Appendix 2: Risk Register & Action Plan
- Appendix 3: Equality Impact Assessment
- Appendix 4: Oxford Town Hall Marketing Plan

1 Introduction

- 1.1 The Town Hall is the centre of civic life in the city, a significant tourist attraction and historic listed building. In recent years the Council has made significant investment in restoring, maintaining and improving its condition. It is a privilege for the City Council to be the custodian of such a building, and it is vital we have the resources to continue to make it as accessible and attractive to the public as possible.
- 1.2 Over the last few years the Council has increased commercial letting of spaces in the Town Hall to help fund its wider objectives. The Museum of Oxford has been developed, more

events have taken place and there is increased demand from community groups for affordable access.

- 1.3 The current income target for the Town Hall is £541,000. Forecast net income for 2013/14 is @ £475,000. Actual net income in 2012/13 was @ £400,000. The new Commercial Manager, investment in the fabric of the building and proposed charging structure set out in Appendix 1 are all designed to ensure the income target is achieved going forward.
- 1.4 The objective of the new charging arrangements is to ensure community interest groups have equitable access to the facility at affordable rates whilst providing scope to manage larger commercial events, weddings and social gatherings, at market rates. To manage and attract commercial events the Town Hall's Commercial Manager needs discretion to negotiate charges in order to maximise income and market share.

2 Investment in the Town Hall

- 2.1 Over the previous three financial years the Town Hall has received @ £600,000 of investment in order to maintain and improve facilities. Within the current year a further £300k is being spent to improve the audio visual and lighting facilities in the Main Hall and Assembly Room. Additionally, a £200k project is underway to refurbish the toilets. These improvements are aimed at bringing the quality of the venue up to a commercially competitive standard.
- 2.3 A continued programme of repairs & maintenance is both necessary and planned, this includes further repairs to the external fabric of the building, redecoration of the Main Hall ceiling, upgrading of the Main Hall ventilation and an upgrade to the heating system. Provision of £385,000 is included within the Capital Programme to accommodate this.
- 2.4 A feasibility study has been commissioned to help develop a plan for the currently underutilised parts of the Town Hall. These include the shop, café, Gallery, Long Room, training room, etc., as well as the orientation of the proposed development of the museum. Consultants will be asked to make recommendations on how the Council could increase revenue through better use of these spaces, and how much investment might be needed in order to achieve that.

3 Improving the Service

- 3.1 A change in management and implementation over the summer of an improvement plan has started to produce encouraging results. Room hire income for the first 5 months of 2013/14 is up 54% on last year. However, we are still only 77% to target which means more action is required.
- 3.2 The improvement plan includes the following actions many of which are already complete:
 - New sales and event management processes aimed to help generate new business and provide great customer service
 - Sales & Marketing Plans have been produced and are being implemented
 - Investment has been approved for several key projects including improving the audio/visual technology in the Main Hall and redeveloping the toilet facilities
 - A formal feedback procedure has been introduced with very favourable comments being received from our customers.
- 3.3 Officers are currently reviewing bids from companies seeking preferred catering supplier status with a view to having an expanded list in place early in 2014. This will increase the range of catering offered and also enable us to be more competitive on price. The need to ensure a quality offering, comply with food hygiene regulations and establish

strong relationships with the preferred suppliers means that alternatives to this list will need agreement from the Commercial Manager.

- 3.4 The café contract is also being reviewed and is likely to be extended with the current supplier. The café is currently a loss making operation but is needed to support the refreshment service for small internal and external meetings. The opportunity to extend the ‘pump pot’ service for meetings up until 8pm is also being discussed with the current supplier. It is important for us to work with the current supplier to improve service levels and give this operation time to produce a commercial return.
- 3.5 Potential commercial growth areas include corporate conferences and wedding bookings with more targeting of receptions as well as ceremonies. Research has highlighted that the size and number of rooms at the Town Hall means it is well placed to compete as a venue for these functions in the centre of Oxford.
- 3.6 Non-converted quotes for hire of the Town Hall have exceeded £250K for each of the past two years. This figure does not include enquiries that did not reach quote stage due to rooms being unavailable. A competitor analysis has highlighted a large number of competitor venues which suggests a healthy local market. Further research is included with the marketing plan attached at Appendix 4.

4 Opening Hours

- 4.1 The opening times of the Town Hall have evolved over time. Currently they are as follows:
- Monday to Friday 8.30am - 7.30pm
 - Saturday 9am - 5pm
 - Sunday 10am - 4pm.
- 4.2 With the Museum of Oxford closed on Sundays since mid-September 2013, it is proposed that the published public opening times for Town Hall be revised to:
- Monday to Friday 8am – 7pm
 - Saturday 10am – 6pm
- 4.3 However, when meetings & events operate outside of these times, the Town Hall will remain open and public access to the toilets will be available.

5 Charging

- 5.1 The Town Hall currently has a complex mix of arrangements for venue hire; these lack transparency, are confusing for customers and adversely impact the Town Hall’s ability to generate additional income.
- 5.2 Room hire charges have not changed in 3 years. A recent analysis of our competitors has been undertaken and the proposed new prices are shown in Appendix 1.
- 5.3 Examples of the impact of the new pricing policy on charges for commercial customers based on events from the last twelve months are shown in the table below:

Event	2012/13 Charge	Charge under new policy
Civil Ceremony in Main Hall	£385	£595
Wedding Reception in Main Hall with preparation time	£2,075	£2,250
Dinner in Assembly Room	£865	£900
2 Hour meeting in Court	£82	£100

Room		
8 hour conference in Main Hall	£1,400	£1,800
Total	£4,807	£5,645

The above examples produce an average of a 17.5% increase in charges. Based on current income levels this would produce an additional £52K per annum.

5.4 To put the above in context, examples of competitor pricing are set out below:

Function	Venue	Cost / details
Civil Ceremony or Wedding reception	Bodleian Library	£2,370
8 hour conference (300 people)	Randolph Hotel	£3,700
Civil Ceremony (30 people)	Cotswold Lodge Hotel	£480
8 hour hire function (300 people)	Kassam Stadium	£1,100

5.5 In recognition of the important role of Community Interest Groups (see para 5.8 below) all rooms except for the Main Hall, Assembly Room and Old Library will be offered to Community Interest Groups free of charge every Tuesday and Thursday evening between 6pm and 9.30pm.

5.6 At all other times, the same rooms will be available to Community Interest Groups at a 50% discount.

5.7 The Main Hall, Assembly Room and Old Library will be available to Community Interest Groups at a 50% discount on the following occasions with a minimum booking of 4 hours:

Short notice bookings (less than 8 weeks prior to the event)
 Traditionally quiet months (January & February)
 Mondays
 Tuesday-Thursday evenings from 5pm

At all other times they will be treated as a commercial booking.

5.8 The definition of a Community Interest Group for these purposes is that the organisation is:

- A registered charity and working for the benefit of residents of the City of Oxford; or
- Operates entirely as a non-profit making group for the benefit of residents of the City of Oxford.
- The Town Hall Commercial Manager will determine eligibility for Community Interest Group status for the purposes of Town Hall bookings.

5.9 Subject to availability, Councillors can use any of the smaller rooms free of charge to conduct council business. Rooms must be booked in advance through the Town Hall Sales & Events Team; and details provided of the purpose of the meeting.

5.10 Civic events such as the Lord Mayor's Christmas Reception, the Lord Mayor's Christmas Carol Concert, St Giles Fair Reception and various Twinning events will continue to use the facilities without charge.

6 Financial Implications

6.1 A step change in strategy is required to optimise the income potential of the Town Hall and avoid the need to reduce the income target within the Medium Term Financial Plan. The

changes to policy, together with an increased commercial awareness of the Town Hall's capability, and provision of excellent customer service, are all aimed at increasing the ability to achieve financial targets.

- 6.2 The changes recommended in this report and the on-going improvements in sales and marketing are expected to deliver an extra £100K of income in the first two years with £75K of this already achieved. This will continue to bring additional income going but given the need to balance the demands of commercial and community clients, budget projections going forward need to be revised as detailed in para 6.3.
- 6.3 The following table sets out current budgeted income, expected income, and revised budget proposals reflecting the changes set out in this report:

Period	Budgeted income	Expected income	Adjustments to budgeted income
2014/15	£541K	£516K	(£25K)
2015/16	£591K	£531K	(£60K)

7 Risk

- 7.1 A risk assessment is set out in Appendix 2.

8 Environmental Impact

- 8.1 As a result of more effective utilisation of the Town Hall with increased usage over a shorter period open, our energy usage will reduce and thereby also contribute to reducing our carbon footprint, especially as many of the opportunities to reduce these hours will be in the winter months.

9 Equalities Impact

- 9.1 An Equalities Impact Assessment is attached at Appendix 3.

10 Legal Implications

- 10.1 No legal implications identified.

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Appendix 1: Oxford Town Hall Revised Pricing Schedule

Fees and charges for the hire of Town Hall facilities, with effect from February 2014.

	2012/13	2013/14	2014/15	Average Annual % Increase
	£ Per hour	£ Per hour	£ Per Hour	%
Room charges – Target Commercial Rates <i>(Hourly rate shown. Bookings must be for a minimum of 2 hours)</i>				
Main Hall	175.00	175.00	225.00	9%
Assembly Room	110.00	110.00	150.00	12%
Old Library	110.00	110.00	150.00	12%
Long Room	75.00	75.00	90.00	7%
Meeting Rooms	41.00	41.00	50.00	7%
Room charges – Community/Charity Rate <i>(Hourly rate shown. Bookings must be for a minimum of 2 hours)</i>				
	87.50	87.50	£112.50	9%
Main Hall	55.00	55.00	£75	12%
Assembly Room	55.00	55.00	£75	12%
Old Library	27.50	27.50	£45	21%
Long Room	20.50	20.50	£25	7%
Meeting Rooms				
See points 5.5 to 5.9 for notes on Community/Charity Pricing.				
Sunday/BH Supplement	15%	15%	Withdrawn	N/A
Discounts:				
Social Event off-peak Monday/Tuesday only	20%	20%	Withdrawn	N/A
Concessionary Meetings	50%	50%	Withdrawn	N/A
Preparation, Clearance or Rehearsal	50%	50%	Withdrawn	N/A
6 hours or more consecutive at standard price	20%	20%	Withdrawn	N/A
Agency Commission room hire fees (maximum)	10%	10%	15%	N/A
Instead of the formal, published discounts noted above, when appropriate, discounts will be applied on a commercial basis.				
Royalties (based on total box office sales)				
Classical Concerts	4.8%	4.8%	4.8%	0%
Pop Concerts	3.0%	3.0%	3.0%	0%
Variety Performances	2.0%	2.0%	2.0%	0%
All other events (inc. music, films, video, DVD films or promotional events)	9.0%	9.0%	9.0%	0%
Box Office				
Minimum fee of £25 or 10% of sales (whichever is greater)	10.0%	10.0%	12.5%	1%

	2012/13	2013/14	2014/15	Increase
	£	£	£	%approx.
Technical Facilities				
Data projector	25.00	25.00	50.00	33%
Flipchart, Pad & Pens (inc. in DDR)	14.00	14.00	15.00	3%
Laptop Computer (internal use only)	50.00	50.00	55.00	3%
Lectern - table	No charge	No Charge	No charge	N/A
Lectern – free standing	No charge	No charge	No charge	N/A
Long Room – AV Equipment	50.00	50.00	55.00	3%
PA system (Main Hall)	60.00	60.00	66.00	3%
Large Screen	50.00	50.00	55.00	3%
Small pop-up Screen	25.00	25.00	27.50	3%
Stage extension – small	45.00	45.00	55.00	7%
Stage extension – large	85.00	85.00	105.00	7%
Round table with linen cloth	12.50	12.50	14.00	3%
Musical Equipment				
Organ – Events	100.00	100.00	110.00	3%
Organ – Rehearsals/Practice (per hour)	12.00	12.00	13.50	3%
Piano – Events	70.00	70.00	75.00	3%
Piano – Rehearsals/Practice (per hour)	12.00	12.00	13.50	3%
Licence Holders & Door Supervisors				
TH Personal Licence holder	65.00	65.00	Withdrawn	N/A
Door Supervisors (per hr., per supervisor)	15.50	15.50	At cost	N/A
Internal Charges				
Small meeting room hire Mon - Fri (8am – 5pm extended to 10pm on selected weekdays)	No charge	No charge	No charge	N/A
Outside of the above hours and for the Main Hall, Assembly Room and Old Library, bookings will be at commercial rates				
Cancellation/no show less than 72 hrs. before	N/A	50%	50%	0%
Catering Charges				
Kitchen Hire per head (minimum 100)	3.00	3.00	3.50	3%
Servery Hire Only (per day)	60.00	60.00	65.00	3%
<u>Social Event Packages</u>				
Ceremony Only Packages (2 hrs. hire)				
Main Hall	385.00	385.00	595.00	18%
Assembly Room or Old Library	275.00	275.00	495.00	26%
St Aldate's Room	215.00	215.00	250.00	6%
Social Events (18:00 – 23:59 hrs. with 1 hr. clearance to 01:00 hrs.)				
Main Hall	1,900.00	1,900.00	Withdrawn	N/A
Assembly Room and/or Old Library	1,650.00	1,650.00	Withdrawn	N/A
Assembly Room only	1,320.00	1,320.00	Withdrawn	N/A
Dinner Bookings 18:00 – 22:30 with 1 hrs. clearance to 23:30				
Main Hall	1,320.00	1,320.00	Withdrawn	N/A
Assembly Room	865.00	865.00	Withdrawn	N/A
St Aldate's	475.00	475.00	Withdrawn	N/A
<i>Prices for the above categories have been withdrawn as they refer to a time when our costs for events of this type were much higher than they are currently. To increase our income we need to be able to host events at competitive prices at all times of the week so the hourly rates will be used</i>				

Appendix 2 – Risk Register & Action Plan

Risk ID	Risk						Corporate Objective	Gross Risk		Residual Risk		Current Risk		Owner	Date Risk Reviewed	Proximity of Risk (Projects/Contracts Only)
Category-000-Service Area Code	Risk Title	Opportunity/Threat	Risk Description	Risk Cause	Consequence	Date raised	1 to 6	I	P	I	P	I	P			
TH01	Financial	Threat	Financial targets not achieved	Insufficient use of commercial viability of Town Hall venue	Impact to contribution towards 'Efficient & Effective' Council	June 13	6	3	4	2	2	3	4	SMH/RC		
TH02	Internal relationship	Threat	Complaints by internal Service Areas' to impact of proposed changes	New policy includes prices increases and constraints on availability for bookings	Impact to contribution towards 'Efficient & Effective' Council	Aug 13	6	3	3	2	2	3	3	SMH/RC		

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Risk ID	Risk Title	Action Owner	Accept, Contingency, Transfer, Reduce or Avoid	Details of Action	Key Milestone	Milestone Delivery Date	%Action Complete	Date Reviewed
TH01	Financial	SMH/ RC	Reduce	Introduce changes set out in this document	Agreement	Dec 2013		
TH01	Financial	SMH/ RC	Reduce	Implement agreed policy and pricing changes w.e.f. January 2014 for any new business.	Agreement	Dec 2013		
TH01	Financial	SMH/ RC	Reduce	Design Sales & Marketing Plans to market Town Hall venue hire & exploit networking opportunities to secure new commercial business, and retain existing clients.	Plans agreed & signed off	Sep 2013	100%	
TH03	Internal relationship	SMH/ RC	Reduce	Manage Service Areas' expectations in conjunction with meeting policy requirements.	Agreement	Dec 2013		

Appendix 3 - Initial screening EqIA template – Town Hall

Prior to making the decision, the Council's decision makers considered the following: guide to decision making under the Equality Act 2010:

The Council is a public authority. All public authorities when exercising public functions are caught by the Equality Act 2010 which became law in December 2011. In making any decisions and proposals, the Council - specifically members and officers - are required to have **due regard** to the **9** protected characteristics defined under the Act. These protected characteristics are: **age, disability, race, gender reassignment, pregnancy and maternity, religion or belief, sex, sexual orientation and marriage & civil partnership**

The decision maker(s) must specifically consider those protected by the above characteristics:

- (a) to seek to ensure equality of treatment towards service users and employees;
- (b) to identify the potential impact of the proposal or decision upon them.

The Council will also ask that officers consider whether the policy, strategy or spending decisions could have an impact on safeguarding and / or the welfare of children and vulnerable adults

If the Council fails to give 'due regard', the Council is likely to face a Court challenge. This will either be through a judicial review of its decision making, the decision may be quashed and/or returned for it to have to be made again, which can be costly and time-consuming diversion for the Council. When considering 'due regard', decision makers must consider the following principles:

1. **the decision maker is responsible for identifying whether there is an issue and discharging it.** The threshold for one of the duties to be triggered is low and will be triggered where there is any issue which needs at least to be addressed.
2. **the duties arise before the decision or proposal is made, and not after and are on-going.** They require **advance** consideration by the policy decision maker with conscientiousness, rigour and an open mind. The duty is similar to an open consultation process.
3. the decision maker must be **aware of the needs of the duty.**
4. the **impact of the proposal or decision must be properly understood first.** The amount of regard due will depend on the individual circumstances of each case. The greater the potential impact, the greater the regard.
5. **Get your facts straight first!** There will be no due regard at all if the decision maker or those advising it make a fundamental error of fact (e.g. because of failing to properly inform yourself about the impact of a particular decision).
6. What does 'due regard' entail?
 - a. **Collection and consideration of data and information;**
 - b. **ensuring data is sufficient to assess the decision/any potential discrimination/ensure equality of opportunity;**
 - c. **proper appreciation of the extent, nature and duration of the proposal or decision.**
7. **Responsibility** for discharging can't be delegated or sub-contracted (although an equality impact assessment ("EIA") can be undertaken by officers, decision makers must be sufficiently aware of the outcome).
8. **Document the process** of having due regard! Keep records and make it transparent! If in any doubt carry out an equality impact assessment ("EIA"),

to test whether a policy will impact differentially or not. Evidentially an EIA will be the best way of defending a legal challenge. See hyperlink for the questions you should consider
<http://occweb/files/seealsodocs/93561/Equalities%20-%20Initial%20Equality%20Impact%20Assessment%20screening%20template.doc>

1. Within the aims and objectives of the policy or strategy which group (s) of people has been identified as being potentially disadvantaged by your proposals? What are the equality impacts?

The Council has invested significantly in maintaining and improving the fabric of and facilities offered by the Town Hall: an iconic building that attracts appreciable interest from tourists, plays a key part of the annual Oxford Open Doors heritage weekend and cultural life of the city, and faces heavy demands from commercial and community users for its range of bookable rooms. The Council also recognises that it has financial obligations to return the best levels of commercial revenue and to manage the assets of the Town Hall to offset its appreciable infrastructure investment and to represent best value to local council tax payers. It also acknowledges that it is important to retain the maximum access for community groups possible without impacting on either commercial revenues or the ability of community groups to continue to book rooms for free or through proportionate subsidies.

The aim of the new charging policy is:

- to ensure that community interest groups can access the facility at affordable rates;
- that the Council has the scope to manage larger commercial events, weddings and social gatherings at market rates; and

2. In brief, what changes are you planning to make to your current or proposed new or changed policy, strategy, procedure, project or service to minimise or eliminate the adverse equality impacts?

Please provide further details of the proposed actions, timetable for making the changes and the person(s) responsible for making the changes on the resultant action plan

The Council is proposing to introduce the following mitigating actions:

Action 1: To continue to offer community interest groups free of charge smaller room hire on Tuesday & Thursday evenings

Action 2: To continue to offer a community interest group rate (at a 50% discount on commercial rates at selected times) with effect from February 2014 for all new business, along with a new pricing schedule shown at Appendix 1 of the February 2014 CEB report

The community interest group rate and free access to the smaller rooms on Tuesday and Thursday evenings will be available for those organisations who can meet the criteria identified in paragraph 5.8 of the report.

3. Please provide details of whom you will consult on the proposed changes and if you do not plan to consult, please provide the rationale behind that decision.

Please note that you are required to involve disabled people in decisions that impact on them

4. Can the adverse impacts you identified during the initial screening be justified without making any adjustments to the existing or new policy, strategy, procedure, project or service? Please set out the basis on which you justify making no adjustments

Combined comments re questions 3 & 4 above:

The Town Hall Commercial Manager will contact the community groups who use the Town Hall regularly in order to manage expectations and minimise the impact of any price increases on them (i.e. by booking on free evenings or selected days they could receive the benefit of the 50% discount off the commercial rate).

This will also include explaining the funding options available where charges are proposed through the Council's existing grants and highlighting other community venues that are available to them.

5. You are legally required to monitor and review the proposed changes after implementation to check they work as planned and to screen for unexpected equality impacts.

Please provide details of how you will monitor/evaluate or review your proposals and when the review will take place

The Town Hall Commercial Manager will review the arrangements for community groups on a quarterly basis to ensure any adverse impact is being managed and will look to resolve any issues that arise positively wherever possible

Lead officer responsible for signing off the EqIA: Simon Howick

Role: Head of HR & FM

Date: 18/01/14

Note, please consider & include the following areas:

- Summary of the impacts of any individual policies
- Specific impact tests (e.g. statutory equality duties, social, regeneration and sustainability)
- Post implementation review plan (consider the basis for the review, objectives and how these will be measured, impacts and outcomes including the "unknown")
- Potential data sources (attach hyperlinks including Government impact assessments where relevant)