

Supplementary Agenda



Cultural Committee

Date: Monday, 27 January 2020

Time: 10:00

Venue: Council Chambers,
Town Hall, Dumbarton Road, Clydebank

Contact: Craig Stewart, Committee Officer
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Dear Member

Items to Follow

I refer to the agenda for the above Meeting of the Cultural Committee which was issued on 14 January 2020 and now enclose copies of the undernoted reports which were not available for issue at that time.

I would also advise that Bailie Agnew, Chair, has intimated that Item 10, 'Richmond Street Premises' has been withdrawn from the agenda and that a report in relation to this matter will now be submitted to a future meeting of the Committee.

Yours faithfully

JOYCE WHITE

Chief Executive

Note referred to:-/

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7 OPERATING MODEL FOR THE CLYDEBANK TOWN HALL 31 – 37

Submit report by the Strategic Lead – Communications, Culture, Communities & Facilities on the above.

Distribution:-

Bailie Denis Agnew (Chair)
Provost William Hendrie
Councillor Karen Conaghan (Vice Chair)
Councillor John Millar
Councillor Brian Walker

Chief Executive
Strategic Director of Transformation & Public Service Reform
Strategic Director of Regeneration, Environment & Growth
Chief Officer of West Dunbartonshire Health & Social Care Partnership

Date of issue: 22 January 2020

WEST DUNBARTONSHIRE COUNCIL

Report by Strategic Lead – Communications, Culture, Communities & Facilities

Cultural Committee: 27 January 2020

Subject: Operating Model for the Clydebank Town Hall

1. Purpose

- 1.1.** The purpose of this report is to respond to a request from the Convener of Culture for further information on the way the Clydebank Town Hall is presently being operated and future direction.

2. Recommendations

- 2.1.** It is recommended that the Committee:
- notes this report;
 - notes that Committee agreed in November 2019 to invest £1.4m at Clydebank Town Hall based on a detailed business case for the future operation of the venue
 - notes the existing coffee shop opening hours will continue until the redevelopment is complete; and
 - agrees that weddings, corporate events and other functions continue to be prioritised by the Town Hall service to meet the annual income target, or if that is not the priority then the income target is revised to give management the flexibility to change the existing approach.

3. Background

- 3.1** Clydebank Town Hall was designed by James Millar and officially opened on 4 April, 1902. Its original layout comprised reception halls, municipal offices, council chambers, a library, a court room, and a police station.
- 3.2** In the intervening years Clydebank Town Hall has undergone a number of programmes of modernisation, the first of which commenced in 1935 with the transformation of the Grand Hall. In 1980 a series of inter-linked rooms within the Town Hall complex was dedicated to the addition of a museum space.
- 3.3** In 2011-2013 a £3.6m restoration and renovation project at Clydebank Town Hall was undertaken jointly by the Scottish Government, Scottish Enterprise and West Dunbartonshire Council. The project was managed by the Clydebank Rebuilt organisation and was based on a proposal to change the Town Hall into a commercially-focused venue for the Council and local area. Amongst other changes, this refurbishment created the Clydebank Museum and Gallery, the Garden Gallery and garden, a coffee shop, as well as installed model ships in the atrium space.

- 3.4** The B-listed building is the Council's premier events venue, providing bespoke space for a range of corporate, civic and cultural events and also hosting a museum, gallery and café.

Issues with existing Town Hall building and layout

- 3.5** A number of issues exist with the current layout and these were outlined in detail in the report to Committee in November 2019 on the Town Hall refurbishment. The most relevant aspects for this report include:

- The Clydebanks Museum and Gallery is not large enough or suitable in design to attract prestigious exhibitions on a regular basis. This means the exhibitions that are displayed tend to be more modest and less able to attract visitors from across West Dunbartonshire and beyond. Footfall is on average less than 30 people per day.
- This low footfall undermines the business case for the Town Hall coffee shop which was predicated on a regular flow of visitors. Operators should expect a café to take £1 to £2 per museum visitor (see background paper - *Successful Museum Cafes 2017*). With daily footfall in the dozens this provides an unsustainable performance level with the coffee shop sometimes taking as little as £11 a day. Staffing costs and food waste mean this represents an inefficient and poor use of resources.
- In addition the coffee shop location is squeezed between the existing Museum and Lesser Hall with limited natural light making it an ill-defined venue. Guidance recommends that coffee shops ideally be located in areas with high natural light and ideally attractive views (see background paper - *Successful Museum Cafes 2017*). This contributes to the failure to attract regular non-museum customers

- 3.6** Committee agreed to resolve these issues in November by removing the coffee shop from its existing location to allow for the creation of an expanded gallery space. This larger facility could attract more prestigious exhibitions, and in turn, higher levels of footfall to the Town Hall. In addition the coffee shop would become a mobile kiosk that could be located in the more attractive Garden Gallery and atrium depending on bookings and weather conditions.

Income target

- 3.7** As previously outlined the funding for the renovations nearly a decade ago was based on the assumption that the Town Hall would become a more commercially focussed venue than had been the case before when it largely operated as a Civic and Community facility.
- 3.8** In keeping with this Council has set successive management teams at the Town Hall with an income target to achieve every year. The table below illustrates this.

Year	2017/18	2018/19	2019/20	2020/21
Income target	£210,499	£208,435*	£211,863	£297,232
Income	£201,308	£213,621	£244,466	N/A

achieved			<i>(predicted)</i>	
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* this figure takes account of the removal of an internal recharge which was worth approximately £15k of income to the Town Hall.

- 3.9** Income at the Town Hall is typically generated from hire of one of the venue's rooms – with the Grand Hall and Lesser Hall the two most obvious. Taking account of the fact the building would not be open for bookings at Easter and Christmas that allows for 50 full weeks of operation per year. To meet the 2019/20 target the management team need to generate income of approximately £4,250 per week. In 2020/21, in the draft budget book noted by Councillors in November 2019, this rises to £5,900 per week.
- 3.10** To meet these income levels through room hire the Town Hall would need both the Grand Hall and Lesser Hall to be booked for 56% of every week of the year. These performance levels would be similar to modern purpose-built conference and events venues in city centre locations close to major transport hubs. They are unrealistic for a historic mixed-use building on the fringe of Clydebanks town centre. Furthermore, the occupancy level would need to increase to 80% in 2020/21 to meet the draft income target. This would be even more unrealistic given that industry experts believe that 70% is the maximum practical occupancy rate for an events venue.
- 3.11** This information has helped the Town Hall management identify that the income target set by Council would not be met by volume bookings (high occupancy). Instead officers have re-focussed the venue towards the wedding, events and functions market which can generate additional income on top of the standard venue hire. For example, a successful wedding booking can include income from the provision of stationery packages, venue dressing, bar takings, and 10% of the profits from the catering provision. This means the Town Hall can generate up to £7,000 in income from a single wedding – compared to £595 for a comparable hall-only booking. This approach is vital in order to enable the Town Hall to meet its income target.

Financial update

- 3.12** The overall cost to the Council of operating the Clydebanks Town Hall in 2017/18, including income generated and excluding the museum costs, was £322,000.
- 3.13** This improved in 2018/19 when the annual cost of operating the Town Hall was reduced to £253,000.
- 3.14** This progress is continuing in 2019/20 with the Town Hall on track to deliver an additional £50,000 saving to the Council, as well as come in under budget. These improvements follow the introduction of the more competitive charging framework, streamlining the operating costs for the building, and generating increased revenue.
- 3.15** Further significant change is required in 2020/21 after Council noted the planned Town Hall income target which will increase by £85,000. Increasing the target by

nearly 30% inevitably will lead to a significant change in management approach from the traditional or historic model previously used at the Town Hall.

Satisfaction Update

- 3.16** The Town Hall team collates feedback received from events. Over the six month period from July 1 to December 31, 2019, 24 weddings took place at the venue. Of these, 20 couples provided feedback regarding their experience at the Town Hall, and this was all positive.

The responses included the following comments:

"We had our full wedding at the town Hall and I do not know where to start in thanking the team. What a support they were to us. Absolutely nothing was too much trouble and my Husband and I truly felt we were royalty for the day. If you want a historic and beautiful wedding venue with professional, caring and fun staff I would urge any couples to look no further than our very own beautiful town Hall. We couldn't have loved our day more."

"We had our whole wedding at Clydebank Town Hall on Saturday! it was amazing. Everyone was so impressed with the venue and how it was decorated! The wedding team were all fab and nothing was too much trouble."

"We had our wedding at the Town Hall this year and the staff are amazing, couldn't have done enough for me and my husband. Outstanding service and the food was amazing."

No corporate complaints have been submitted to the Town Hall in 2019/20.

Summary

- 3.17** As can be seen from the background information the Town Hall management team have in recent years:

- Effectively controlled the annual budget
- Increased income year-on-year
- Delivered additional efficiencies to help the Council close its budget gap
- Delivered high-levels of satisfaction from service users
- Identified the issues with the current design of the Town Hall and had a new positive plan approved at Committee

4. Main Issues

Coffee shop

- 4.1** As a result of the issues highlighted at 3.5, and in an effort to minimise losses and protect Council funds as much as possible, officers have restricted opening hours of the coffee shop to 11am-1pm Monday to Friday. Even with this limited opening the coffee shop at the Town Hall costs an estimated £1000 per week to operate but only generates approximately £120 in income (based on average

weekly income Oct to Dec 2019). It would need an estimated 300 additional customers per week to address this situation which management consider is unrealistic in advance of the planned changes to expand the gallery space. Some Elected Members have expressed concern at the lack of availability of the coffee shop due to the current operating hours. Given the information above it is recommended that the existing opening hours are retained at this point to minimise operating costs until the refurbishments are complete.

Prioritisation of wedding and events activity

- 4.2** For the reasons outlined at 3.9 the Town Hall management have prioritised wedding, events and functions activity at an operational level. This has included designing the service around the successful delivery of weddings, events and functions; leaving venue dressing and feature lighting in place in the Grand Hall and Lesser Hall when there are successive bookings, and marketing events on consecutive evenings, to save officer time taking down and reinstating rooms for no benefit; the playing of ambient background music to make the venue more welcoming to visitors arriving to discuss future bookings; the installation of moveable bars in the atrium on the day of event bookings such as the Provost Civic and Business Awards to ensure optimum service and experience for those booking and attending events; and accommodating requests from brides and grooms to have gift tables and other displays in the Town Hall atrium as opposed to restricted to inside the Grand Hall.
- 4.3** Discussions at Committee and the Town Hall Working Group have highlighted some concerns about these approaches and the point has been made that the Town Hall is a civic venue, and that no single activity should be prioritised over others. As has already been outlined the only way the Town Hall management team can achieve the current income targets is through the successful booking of weddings, events and functions. If Elected Members are of the view that the Town Hall should operate predominantly as a civic venue, with no single activity prioritised over others, it is recommended that the income target is reviewed. This will give the Town Hall management greater flexibility with decision-making, and reduce the requirement to actively compete with other venues for bookings. Currently officers aim to achieve the highest levels of satisfaction from our wedding, event and function parties by attempting to accommodate their wishes as much as possible throughout the venue. However, in the absence of a challenging income target to achieve, a more bespoke, scaled-back package could be developed that limited disturbance to other parts of the building and users. This would inevitably see some event bookings go elsewhere, but could align better with an alternative vision of Elected Members.

5 People Implications

- 5.1** There are no direct people implications arising from this report if Committee agrees to continue current practice.
- 5.2** If Committee wishes to extend the opening hours at the Coffee Shop then this will require a change for existing catering assistants who currently work part-time

in the venue. These employees could increase their hours of work, or opt to go on to the SWITCH policy to find alternative roles on their existing hours.

6 Financial & Procurement Implications

- 6.1** There are no financial and procurement implications linked to this report if Committee notes existing activity and management continue as currently planned.
- 6.2** Should Committee decide to change the opening hours at the Coffee Shop then there would be an additional cost of around £10 per hour per day. This would mean, for example, that if an additional two hours per day was added to the opening hours, the annual cost to the Council would be £5,000. These additional costs could be added to the 2020/21 Council budget presented later this year.
- 6.3** Committee does not have delegated authority to change the income target for 2019/20, but the revised figure could be incorporated into the 2020/21 Council budget presented later this year. The current income target is £297,232. Further discussion would be required to understand the future operational requirements. At this time the best estimate is that a move away from the wedding, events and functions market would require a reduction in the income target of approximately £150,000-200,000 per year.

7 Risk Analysis

- 7.1** There is a risk that the Town Hall will fail to meet its income target if Committee decides to move away from prioritising wedding and events bookings without revising the income expected for 2020/21.
- 7.2** There is a risk that if a clear purpose and vision for the Town Hall is not agreed then its future operation could be undermined. Its multi-functional nature, with hall hire, civic activity, Elected Member accommodation, museum and gallery, coffee shop, wedding ceremonies, and Committee and Council business, creates a complex and competing environment. Without a clear prioritisation then there is a risk that management teams in future will focus on all of the uses to the same degree and fail to do any of them to the highest standards.

8 Equalities Impact Assessment (EIA)

- 8.1** An Equality Impact Screening has been undertaken and a full impact assessment is currently under-development.

9 Consultation

- 9.1** This report has been consulted on with Legal Services, Procurement and Finance.

10 Strategic Assessment

- 10.1** The proposals within this report support the following strategic priorities:

- Efficient and effective frontline services that improve the everyday lives of residents.

Malcolm Bennie
Strategic Lead – Communication, Culture, Communities & Facilities
Date: 21 January 2020

Person to Contact:	Malcolm Bennie Strategic Lead for Communication, Culture, Communities & Facilities 16 Church Street Dumbarton, G82 1QL Malcolm.bennie@west-dunbarton.gov.uk
Appendix:	None
Background Papers:	Business case for the redevelopment of Clydebank Town Hall – Cultural Committee November 2019 Draft Budget Book 2020/21 – West Dunbartonshire Council November 2019 Association of independent Museums – Successful Museum Cafes 2017
Wards Affected:	All wards