

## For publication

### Cultural Service Review - Hasland Village Hall, Assembly Rooms and Revolution House

([Delegation Reference – click here to view Part 3 Constitution](#))

<b>Meeting:</b>	Cabinet
<b>Date:</b>	5 <sup>th</sup> February 2024
<b>Cabinet portfolio:</b>	Town Centres and Visitor Economy
<b>Directorate:</b>	Leisure, Culture and Community Wellbeing
<b>For publication</b>	

#### 1.0 Purpose of the report

- 1.1 The purpose of this report is to set out detailed proposals to achieve financial savings from the operation of three cultural venues operated by the Council: Hasland Village Hall, Assembly Rooms and Revolution House.

#### 2.0 Recommendations

- 2.1 To approve that alternative operational arrangements are devised for Hasland Village Hall so that the premises can be provided to the community without requiring an operational subsidy, and that the building can be let for certain uses without the requirement for a council employee to be on site.
- 2.2 To authorise officers to progress with a community asset transfer process for Hasland Village Hall, including carrying out appropriate engagement activities with residents and community organisations as part of the process.
- 2.3 To approve the ceasing of the letting of the Assembly Rooms to external parties as from 30<sup>th</sup> June 2024, or earlier if that can be achieved, and that officers provide guidance about alternative facilities to the regular community hirers.
- 2.4 To authorise officers to advertise the Assembly Rooms for commercial letting, and to develop heads of terms to establish appropriate lease arrangements for the Assembly Rooms , in line with the desire to generate sufficient rental income to cover the costs of providing and maintaining the premises.

- 2.5 To approve the temporary closure of Revolution House as from 1<sup>st</sup> April 2024 until such time as a suitable alternative arrangement can be put in place to achieve budget savings.
- 2.6 To approve the disposal of Revolution House to a suitable organisation, in line with the desire to support the conservation of this significant historical asset for the benefit of the borough.

### **3.0 Reason for recommendations**

- 3.1 The proposals have been brought forward to respond to the savings targets identified in the Budget Implementation Plan, which was approved in November 2023. This will enable the Council to work towards developing a balanced 2024/25 budget and MTFP, which will support the Council to continue to deliver against the visions and priorities set out in the Council Plan.

### **4.0 Report details**

#### **Background**

- 4.1 Cabinet resolved on 14<sup>th</sup> November 2023 to approve in principle proposals in the Budget Strategy Implementation Plan – Stage 2, and authorise officers to develop the proposals through to appropriate decision making.
- 4.2 This report details the specific proposal “Review of cultural community/ commercial spaces – to consider suspending operations from these buildings; Hasland Village Hall, Assembly Rooms, Revolution House” . The proposal has a target annual saving target in the range of between £10,000 to £50,000, and is classified under the thematic intervention of “Increase income / behave commercially”.

#### **Hasland Village Hall**

- 4.3 Hasland Village Hall is located in Eastwood Park in Hasland. It has a main hall, meeting room and kitchen. The rooms are available to hire Monday to Sunday and the facility is well used by a wide range of users.
- 4.4 During the calendar year 2023, the hall was hired by approximately 80 different hirers – this comprises 15 regular hirers and 75 one-off hirers. Sixty five percent of the hirers were charged the discounted community tariff whilst thirty five percent were on the commercial tariff.
- 4.5 The hall was used on average approximately 5 hours per day, and there were approximately 19,000 visitors during the year.

- 4.6 As can be seen In Table 1 below in the financial year 2022/3 Hasland Village Hall operated with a financial deficit of approximately £32,000. The forecast deficit of the current financial year is £24,000.

**Table 1**

	<b><i>Actual 2022/23</i></b>	<b><i>Forecast 2023/24</i></b>
<b><i>Income</i></b>	<b><i>£</i></b>	<b><i>£</i></b>
<i>Lettings</i>	<i>34,136</i>	<i>50,000</i>
<b><i>Less Expenditure</i></b>		
<i>Employees</i>	<i>28,494</i>	<i>36,000</i>
<i>Premises</i>	<i>32,710</i>	<i>35,420</i>
<i>Supplies</i>	<i>1,814</i>	<i>2,470</i>
<i>Cleaning</i>	<i>3,057</i>	<i>Not applicable</i>
<b><i>Deficit for the year</i></b>	<b><i>(31,939)</i></b>	<b><i>(23,890)</i></b>

- 4.7 Officers have reviewed in detail the operation of the premises in 2023. Whilst the income from some of the lettings covered the variable staffing costs for running an event, these were bookings primarily on the commercial tariff and some parties/weddings. However very few lettings covered the fixed daily overheads of operation. Furthermore, some lettings required significantly more operational subsidy, these included the smaller community events.
- 4.8 Therefore in order to reduce the financial deficit of the operation and to achieve full cost recovery, officers are proposing two approaches: reducing expenditure; and increasing income.
- 4.9 First, in order to reduce staffing costs, officers would like to change the operating procedures for regular hirers. It is proposed that there would be no caretaker on duty at the hall. Regular hirers would be issued a key for the hall and would be given an induction on how to open and close the building. They would be provided with an emergency telephone number if they had any operational issues. The hirer would be responsible for the building during the period of hire, and for closing the building and setting the alarm if needed. Due to the diverse use of the hall, this procedure would still require an amount of employee time as the building will require cleaning and re-setting.
- 4.10 Secondly, in order to increase income, it is proposed that fees and charges are increased to enable the council to recover the costs of providing the hall from the income received from the hirer. The details of the proposed fees and charges will be contained in the accompanying Cultural Services Fees and Charges 2024/5 report .
- 4.11 As part of the development process of these proposals, officers have contacted the regular hirers of Hasland Village Hall and invited them to complete a short engagement survey regarding their views on how they think

any price or operational changes would affect them and their group. In addition, hirers were also advised that consideration may be given to a community asset transfer for the operational responsibility and use of Hasland Village Hall, and to advise if they or their group would be interested in pursuing. A summary of responses is contained in Appendix A.

- 4.12 We received a total of six responses to the survey from regular hirers. There was a positive in principle response to the proposal to change the operating procedures for the hall by not having a caretaker on duty on site for certain uses. Three groups indicated that they were interested in the community asset transfer proposal.
- 4.13 The response to the “significantly increased” charges for the hall received a mixed response. Some hirers indicated that they would not be able to continue to hire the facilities if the charge went up, whilst others stated that it would depend on the level of the increase, and one response stated that they would “find” the required increase in charge. Moreover, it should be noted that none of those responding disagreed with the principle that that venue hire fees and charges should be set at a level, for any groups or individuals using the service, which covers the cost of providing the service to help reduce the council’s budget gap.
- 4.14 Therefore it is proposed to continue to operate Hasland Village Hall and to achieve a reduction in the financial deficit by increasing hire charges from 1<sup>st</sup> April 2024, and to reduce staffing costs where appropriate by not having a caretaker on site at all times. It is anticipated that these two measures will improve the financial performance of the premises which will be reviewed as part of the services existing budget review process.
- 4.15 It is proposed that expressions of interest are sought for the community asset transfer of Hasland Village Hall.

### **Assembly Rooms**

- 4.16 The Assembly Rooms is located in the Market Hall in Chesterfield. It has a main hall, two meeting rooms and kitchen. The rooms are available to hire Monday to Sunday.
- 4.17 During the calendar year 2023, the hall was hired by approximately 25 different hirers – this comprises 8 regular hirers and 17 one-off hirers. Seventy five percent of the hirers were charged the discounted community tariff whilst twenty five percent were on the commercial tariff.
- 4.18 The hall was used on average approximately 1.3 hours per day, and there were approximately 3,100 visitors during the year.

- 4.19 As can be seen In Table 2 below in the financial year 2022/3, the Assembly Rooms operated with a financial deficit of approximately £54,000. The forecast deficit of the current financial year is £55,000.

Table 2

	<b><i>Actual 2022/23</i></b>	<b><i>Forecast 2023/24</i></b>
	<i>£</i>	<i>£</i>
<i>Income</i>	<i>7,026</i>	<i>12,000</i>
<i>Less expenditure</i>		
<i>Employees</i>	<i>11,007</i>	<i>13,460</i>
<i>Premises</i>	<i>Service charge from Market Hall</i>	<i>Service charge from Market Hall</i>
<i>Supplies and services</i>	<i>50,390</i>	<i>53,510</i>
<b><i>Deficit for the year</i></b>	<i>(54,372)</i>	<i>(54,970)</i>

- 4.20 Officers have reviewed in detail the operation of the premises in 2023. Whilst the income from a few of the lettings covered the variable staffing costs for running an event, these were bookings primarily in the Main Hall. However no lettings covered the fixed daily overheads of operation. Furthermore, many lettings required significantly more operational subsidy, these included all the community events using the meeting rooms.
- 4.21 Officers do not consider that the current business operation can lead to a significant reduction in the financial deficit in the near future. Therefore officers are proposing that letting of the Assembly Rooms to external parties for events is ceased as from 30<sup>th</sup> June 2024, or earlier if that can be achieved.
- 4.22 It is proposed that officers advertise the Assembly Rooms as premises for letting under a commercial lease. The Corporate Property Manager and team assess that there is no comparable space in the Town Centre.
- 4.23 It is a unique and prestigious set of rooms, and there are examples of similar spaces being used for other purposes in other towns. For example, in both

York and Norwich the Assembly Rooms are operating as restaurants. Whilst in Lancaster, they are operating as an emporium with eight different stalls.

- 4.24 At this stage, it is difficult to provide an estimate of what commercial rent can be achieved for the property, before it is actively marketed. It is estimated that it will take approximately 4 to 6 weeks to bring the property to market, and then a further 4 to 6 months from tenant selection to tenant occupation, subject to the intended use.
- 4.25 It is proposed therefore that the letting of the rooms to external parties continues for a further period until such time as the property can be marketed and a suitable tenant identified. It is proposed that this period does not extend beyond 30<sup>th</sup> June 2024. This has the added benefit of giving the existing regular hirers sufficient time to make suitable alternative arrangements for their events.
- 4.26 As part of the development process of these proposals, officers have contacted the regular hirers of the Assembly Rooms and invited them to complete a short engagement survey regarding their views on how they think any price or operational changes would affect them and their group. A summary of responses is contained in Appendix A.
- 4.27 We received two responses to the survey from regular hirers. One hirer indicated that they would not be able to continue to hire the facilities if the charge went up significantly and the group might cease to exist, whilst the other stated that it would depend on the level of the increase. Moreover, it should be noted that neither respondent disagreed with the principle that that venue hire fees and charges should be set at a level, for any groups or individuals using the service, which covers the cost of providing the service to help reduce the council's budget gap.
- 4.28 To assist the community groups who would be displaced when the Assembly Rooms became unavailable, it is proposed that officers provide guidance about other suitable Council premises available to hire. This would include rooms to let available at the Town Hall, and at the council owned rest rooms throughout the borough.

### **Revolution House**

- 4.29 Revolution House is situated in Old Whittington in Chesterfield. It is a Grade 2\* listed building, which was originally built in the 17<sup>th</sup> Century. It has been owned by the Council since 1937.
- 4.30 During the calendar year 2023, the House was open to the public at least once a month from March to September and every Thursday, Friday, Saturday and Sunday from 7 to 24 December.

- 4.31 The House was open for 23 days during the year, and there were approximately 1,700 visitors during the year. There was no admission fee charged.
- 4.32 As can be seen In Table 3 below in the financial year 2022/3, the Revolution House operated with a financial deficit of approximately £8,000. The forecast deficit of the current financial year is £7,000. Please note that this is an underestimate of the costs of the operation, as no employee costs have been directly allocated to the operation – these are all contained within other Tourism, Museum and Events cost centres.

Table 3

	<b><i>Actual 2022/23</i></b>	<b><i>Forecast 2023/24</i></b>
<b><i>Income</i></b>	<i>£</i>	<i>£</i>
	<i>NIL</i>	<i>NIL</i>
<b><i>Less Expenditure</i></b>		
<i>Employees</i>	<i>Costs absorbed by Museum</i>	<i>Costs absorbed by Museum</i>
<i>Premises</i>	<i>5962</i>	<i>5330</i>
<i>Supplies and services</i>	<i>2150</i>	<i>1900</i>
<b><i>Deficit for the year</i></b>	<i>(8113)</i>	<i>(7230)</i>

- 4.33 Officers have reviewed in detail the operation of the premises in 2023. There are limited opportunities to generate income from the Revolution House as it is currently operated, and there are few ways to reduce expenditure apart from not opening to the public. In addition, the property needs ongoing maintenance due to its age and the fact that it has a thatched roof.
- 4.34 Currently the building is scheduled to have repairs to the thatched roof during February which should be completed by the end of March . Therefore it is proposed that once the work has been completed, the house remains temporarily closed as from 1<sup>st</sup> April 2024, until a suitable alternative approach has been put in place that supports the budget savings requirement.
- 4.35 Cabinet is recommended to approve the disposal of Revolution House, to a suitable organisation, in line with the desire to support the conservation of this significant historical asset for the benefit of the borough. The terms of this disposal would be determined by the potential owner/ operator’s circumstances, which could be for example by freehold sale, long lease arrangement or community asset transfer.

## 5.0 Alternative options

- 5.1 One alternative option would be to close all the facilities as from 1<sup>st</sup> April 2024. This option might increase financial savings in 2024/5 but it could adversely affect the reputation of the Council as the existing hirers of Hasland Village Hall and the Assembly Rooms would have to make alternative arrangements at very short notice. Also it would not enable us to implement the changes to the operation of Hasland Village Hall.
- 5.2 Another alternative option is not to make any changes to the operational arrangements of the three buildings, but this would not deliver the required savings to the agreed timescale.

## 6.0 Implications for consideration – Financial and value for money

- 6.1 This report is primarily concerned with reducing the operational deficits of the three buildings.
- 6.2 It is estimated that the financial savings from proceeding with all the recommendations detailed above are as detailed in Table 4 below. The savings are compared to the **approved budget** of 2023/24.

Table 4

	<b><i>Estimate 2024/5</i></b>	<b><i>Estimate 2025/6</i></b>
	<i>£</i>	<i>£</i>
<i>Building</i>	<i>Savings</i>	<i>Savings</i>
Hasland Village Hall	<i>17,190</i>	<i>17,660</i>
Assembly Rooms	<i>4,040</i>	<i>57,510</i>
Revolution House	<i>5,050</i>	<i>8,860</i>
<b><i>Total Anticipated Savings for the year</i></b>	<b><i>£26,280</i></b>	<b><i>£83,230</i></b>

- 6.3 As can be seen from Table 4, due to the time required to implement some of the recommendations, it will not be possible to maximise all the savings until 2025/26. It should be noted that the estimate for 2025/26 assumes that each of three venues is operated by another organisation from 1<sup>st</sup> April 2025.

## 7.0 Implications for consideration – Legal

- 7.1 Community Asset Transfer (CAT) is a mechanism to enable the community ownership and management of publicly owned land and buildings, so they can be transferred to local communities at less than full market value to promote social, economic and environmental well-being. CAT is different to the community right to bid (where a community competes to bid for an asset



at market rates). The most common CAT is a long leasehold. The Council can ensure that criteria are set to ensure only groups able to observe the lease terms would be successful in taking a transfer, and should e.g. require satisfactory business plans as part of the application process.

7.2 When considering whether or not to dispose of an asset, the Council should consider any existing restrictions which might prevent or limit this, in terms of covenants on title or other legal restrictions.

7.3 Any terms for disposal by a long lease would be incorporated in a long commercial lease to protect the financial and reputational interests of the Council.

## **8.0 Implications for consideration – Human resources**

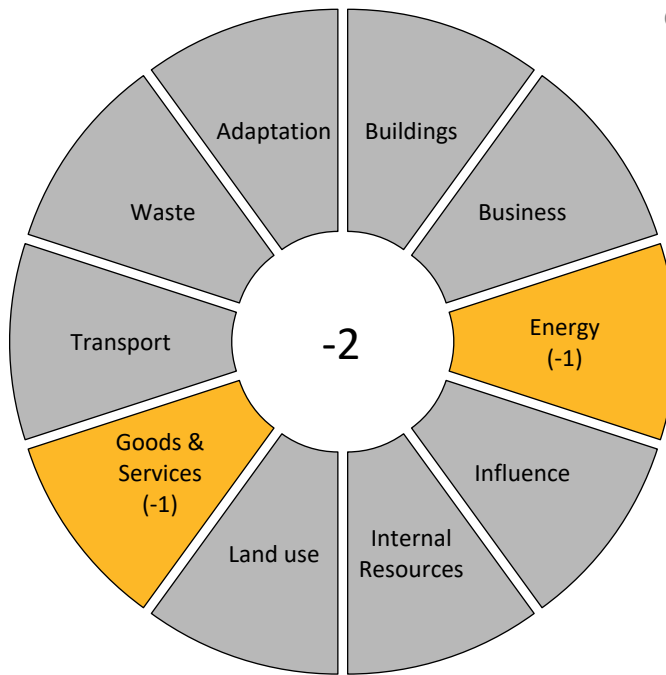
8.1 There are possible implications for Human resources in the future, depending on the details and timing of the implementation of the various proposals. A separate report will be brought to the Joint Cabinet and Employment Committee in due course, which will address these implications.

## **9.0 Implications for consideration – Council plan**

9.1 This contributes to two of our key priority areas - to improve quality of life for local people and to provide value for money services.

## **10.0 Implications for consideration – Climate change**

10.1 A climate change impact assessment has been carried out under the guidance of the council's climate change officer, and a summary of the findings are detailed below:



Chesterfield Borough Council has committed to being a carbon neutral organisation by 2030 (5 years and 11 months away).

10.2 It is estimated that there will be a small increase in energy used and in goods and services if the Assembly Rooms is successfully leased to a commercial tenant due to the increased use of the venue.

**11.0 Implications for consideration – Equality and diversity**

11.1 A full equality impact assessment has been completed and is available at Appendix B. This assessment helped to inform the final recommended proposals.

**12.0 Implications for consideration – Risk management**

12.1 Due to the current economic climate, and the changing nature of leisure and business markets, there are risks in securing alternative operators for the three buildings.

Description of the Risk	Impact	Likelihood	Mitigating Action	Impact	Likelihood
Unable to find tenant for the Assembly Rooms	High	Medium	Devise a marketing plan for the property and work with partners to promote the opportunity	High	Low

Unable to find alternative operator for Revolution House	High	Medium	Develop details of opportunity and target potential operators	High	Low
Unable to find community group to transfer the operation of Hasland Village Hall	High	Medium	Engage with community partners in the ward and throughout the Borough. Reduce deficit through change in procedures and fees and charges	Medium	Low

### Decision information

<b>Key decision number</b>	<i>All key decisions must be in the Forward Plan at least 28 days in advance. There are constitutional consequences if an item is not in the Forward Plan when it should have been. Contact Democratic Services if in doubt.</i>
<b>Wards affected</b>	

### Document information

<b>Report author</b>	
<i>Anthony Radford – Cultural Services Manager .</i>	
<b>Background documents</b>	
These are unpublished works which have been relied on to a material extent when the report was prepared.	
<i>This must be made available to the public for up to 4 years.</i>	
<b>Appendices to the report</b>	
Appendix A	Venue Hire Survey Report January 2024
Appendix B	Equality Impact Assessment