

CABINET MEMBERS DELEGATED DECISION

Open		Would any decisions proposed :		
Any especially affected Wards Hunstanton	Discretionary / Operational	Be entirely within Cabinet's powers to decide		YES
		Need to be recommendations to Council		NO
		Is it a Key Decision		NO
Lead Member: Cllr Alistair Beales E-mail: cllr.alistair.beales@west-norfolk.gov.uk		Other Cabinet Members consulted:		
		Other Members consulted:		
Lead Officer: David Thomason E-mail: david.thomason@west-norfolk.gov.uk Direct Dial: 01553 616246		Other Officers consulted: Michael Walsh		
Financial Implications YES	Policy/Personnel Implications NO	Statutory Implications NO	Equal Impact Assessment NO If YES: Pre-screening/ Full Assessment	Risk Management Implications YES
If not for publication, the paragraph(s) of Schedule 12A of the 1972 Local Government Act considered to justify that is (are) paragraph(s)				
Date meeting advertised: 22 January 2014		Date of meeting decision to be taken: 28 January 2014		
Deadline for Call-In: 4 February 2014				

TITLE PRINCESS THEATRE

Summary

As part of a past cost reduction programme the operation of the Princess Theatre in Hunstanton was transferred by the Council to a private company. The transfer also avoided closure of the facility which is an important part of the community and economy in the town.

The company has been in occupation for eighteen months and has succeeded in maintaining a programme of events in the theatre. The owner of the company has asked the Council to invest in the building. The accounts of the company show that there is no surplus of funds being generated by the business and in order to safeguard/improve the service the operator has asked the Council to invest in works that will cost £26,000.

The operator also asks that the Council invests in the projection equipment at the theatre but in this case would accept a service charge on the lease that would fully recover the costs of £15,000 over the life of the asset.

Recommendation

It is recommended that the Council funds the investment in the building works costing no more than £26,000 including the scheme in the capital programme and also invests in projection equipment at a cost of £15,000

which will be fully recovered by a service charge over the life of the asset.

Reason for Decision

The investment helps to reduce the risk of a return of the theatre to the Council and avoids the closure of the facility which is an important part of the community and economy in the town.

1 Background

- 1.1 As part of a past cost reduction programme the operation of the Princess Theatre in Hunstanton was transferred by the Council to a private company. The aim of the transfer was to reduce the costs to the Council but more importantly avoid closure of the facility which is an important part of the community and economy in the town.
- 1.2 The company has been in occupation for eighteen months and has succeeded in maintaining a programme of events in the theatre. The owner of the company has approached the Council to seek investment in the building to help support the continued operation. The accounts of the company show that there is no surplus of funds being generated by the business and in order to safeguard/improve the service the operator has asked the Council to invest in the facilities.
- 1.3 The company has approached the Council with a proposal that the Council funds improvements to the outside frontage to provide for an exterior bar area. This would be considered to be a landlord improvement which would enhance the value of the building. The costs of the works are estimated to be £26,000.
- 1.4 The operator also asks that the Council invests in the projection equipment at the theatre but in this case would accept a service charge on the lease that would fully recover the costs of £15,000 over the life of the asset.

2 Options Considered

- 2.1 The Council could do nothing. The risk of this option is that it could impact on the viability of the service and in the longer term could cause the operator to consider his position and potentially forfeit the lease.
- 2.2 The proposals do improve the facilities and the level of equipment available at the venue and assist the operator in continuing to offer a service. In the event that the investments help the operator to bring the service into surplus then the Council will be able to obtain a rental income through a revised lease agreement. The cost of the projection equipment will be fully recovered from a service charge.

3 Policy Implications

- 3.1 The Council sought to pass over the operation of the theatre as part of its cost reduction programme to save in excess of £150,000 pa. This proposal helps to keep the operation in third party hands and avoids on-going revenue of the Council.

4 Financial Implications

- 4.1 It will be necessary to fund the works and equipment from the General Property reserve. The cost of the projection equipment will be fully recovered from a service charge. It is also proposed that the Council will cap its assistance at £26,000 for the works with any excess being met by the operator.

5 Risk Management Implications

- 5.1 There are risks in the proposals. The operator can at any time walk away from the theatre. The Council would however remain the owner of the site and equipment and if necessary could either offer the facilities to a new third party or have it available for its own use.
- 5.2 If the proposed action helps to avoid a potential closure with costs returning to the Council then the spending could be seen as mitigating that risk. Even if the facility were mothballed then costs for rates, insurance, security and on-going maintenance would occur.
- 5.3 In respect of the external works to the patio and bar area, the operator has already appointed an architect for a possible design and has obtained competitive quotes from three local building contractors. The operator has also asked if he could gain further quotations from companies on the Council's list of contractors. The intention is to allow the operator to continue with the arrangements to appoint the contractor with the best quote and obtain the necessary planning and building regulations consents and then manage the contractors directly. The Council will check the works at appropriate points and release stage payments when satisfied with the works.

Background Papers

Council agenda and minutes



**Pre-Screening Equality Impact
Assessment**

Name of policy/service/function					
Is this a new or existing policy/ service/function?		New / Existing (delete as appropriate)			
Brief summary/description of the main aims of the policy/service/function being screened. Please state if this policy/service rigidly constrained by statutory obligations					
Question	Answer				
<p>1. Is there any reason to believe that the policy/service/function could have a specific impact on people from one or more of the following groups according to their different protected characteristic, for example, because they have particular needs, experiences, issues or priorities or in terms of ability to access the service?</p> <p>Please tick the relevant box for each group.</p> <p>NB. Equality neutral means no negative impact on any group.</p>		Positive	Negative	Neutral	Unsure
	Age			X	
	Disability			X	
	Gender			X	
	Gender Re-assignment			X	
	Marriage/civil partnership			X	
	Pregnancy & maternity			X	
	Race			X	
	Religion or belief			X	
	Sexual orientation			X	
	Other (eg low income)			X	
Question	Answer	Comments			
2. Is the proposed policy/service likely to affect relations between certain equality communities or to damage relations between the equality communities and the Council, for example because it is seen as favouring a particular community or denying opportunities to another?	No				
3. Could this policy/service be perceived as impacting on communities differently?	No				
4. Is the policy/service specifically designed to tackle evidence of disadvantage or potential discrimination?	No				
<p>5. Are any impacts identified above minor and if so, can these be eliminated or reduced by minor actions? If yes, please agree actions with a member of the Corporate Equalities Working Group and list agreed actions in the comments section</p>	No	Actions:			
		Actions agreed by EWG member:			
Assessment completed by: Name David thomason					
Job title Deputy Chief Executive		Date 8 January 2014			

Please Note: If there are any positive or negative impacts identified in question 1, or there any 'yes' responses to questions 2 – 4 a full impact assessment will be required.