

Scrutiny Committee



Report of Head of Community Services

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The Beacon, Wantage

Recommendation

Scrutiny committee is asked to review The Beacon's performance for 2017/18.

Purpose of report

1. The purpose of this report is to update scrutiny committee on the actions taken in response to its recommendations from September 2017, and consider progress made towards The Beacon's 2018/19 targets. The committee is asked to make further recommendations to the cabinet member for community services to help sustain improvements in performance.

Strategic objectives

2. The Beacon is a community centre and venue delivering a wide range of services, events and activities. It encourages the wider community of VOWH to participate in activities designed to promote health and wellbeing, leisure activities for all age groups. Community activities, coffee shop and bar, a range of meeting and event rooms and a 300 + seat auditorium are key features of The Beacon.
3. The provision of The Beacon contributes towards achieving the council's strategic objective "sustainable communities and well-being" and the corporate priority of "expanding the range and quality of activities at The Beacon, Wantage". It also contributes towards achieving the strategic objective of "running an efficient council".

Background

4. The vision for The Beacon is that it will be seen as the heart of the community. It is a facility offering opportunities for residents to enjoy celebrations and performances, for business use, as well as providing a thriving coffee shop.
5. In September 2017, the Committee recommended the Cabinet member for community services report on the following:
 - Income and expenditure budgets
 - Environmentally friendly and energy saving measures
 - The Beacon's role as a community asset
6. The Beacon Business Plan 2016-2019 sets out the key objectives for the facility and the key performance indicators. This is now coming to the end and work has started on drafting the next three year business plan for The Beacon.

KPIs for 2017/18

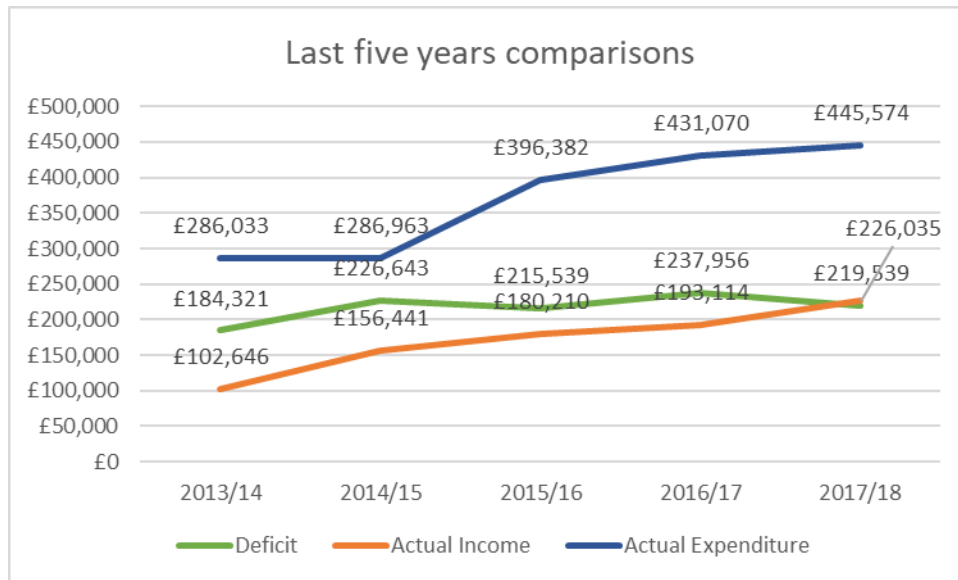
The key performance indicators for 2017/18 are:

- KPI 1: year on year increase in revenue and a reduction in the overall operating deficit
- KPI 2: increase in occupancy with more people using the venue more often
- KPI 3: attract new audiences and users
- KPI 4: improve the customer experience to ensure repeat business
- KPI 5: raise awareness of the facility and improve communication

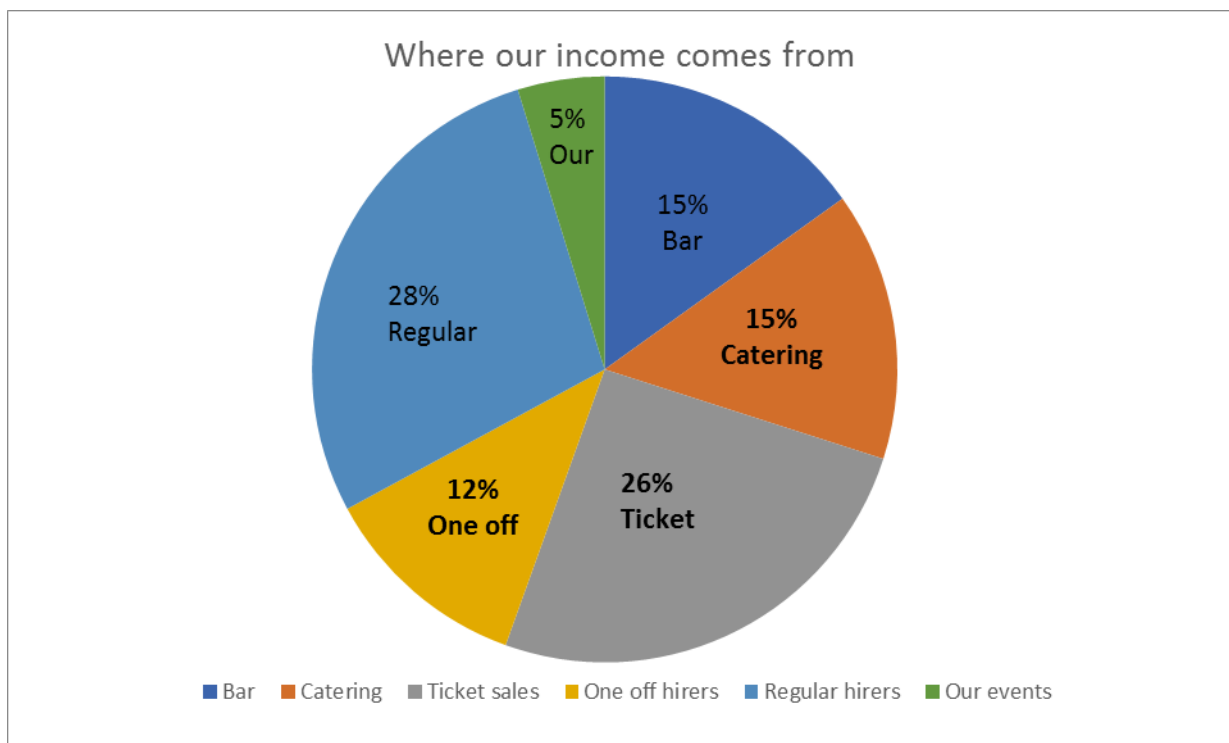
KPI 1: Increase in revenue and a reduction in the overall operating deficit.

7. In 2017/18 The Beacon exceeded its income target for the fifth successive year and has reduced the deficit, compared with the 2016/17 position. The expenditure continues to increase, due to budget corrections, increased spend on shows, increasing cost of consumables and materials, food and drink stock price increases and utility costs and business rates increasing year on year. Officers will be reviewing expenditure and the income targets as part of the budget setting process for 2019/20.
8. During 2017/18 it became evident that when the income targets were set, the VAT payments were not taken into consideration. This has been resolved, however, a lump sum payment of £42,118 was deducted at the end of the financial year to cover VAT payments for both 2015/16 and 2016/17. The chart below shows the income levels with the adjustment for VAT taken into consideration.

Financial Year	Deficit	Budgeted Income	Actual Income	Budgeted Expenditure	Actual Expenditure
2013/14	£184,321	£96,010	£102,646	£304,334	£286,033
2014/15	£226,643	£126,010	£156,441	£306,985	£286,963
2015/16	£215,539	£170,949	£180,210	£381,176	£396,382
2016/17	£237,956	£192,449	£193,114	£421,717	£431,070
2017/18	£219,539	£249,800	£226,035	£459,080	£445,574



9. The chart below shows how the income is broken down and demonstrates that our regular hirers are still our main source of income. However, compared with 2016/17 data, income from ticket sales has increased from 13 per cent to 26 per cent, and seen the biggest growth.



KPI 2: Increase in occupancy with more people using the venue more often

10. One of the key metrics to measure The Beacon's performance is the average cost per occupied hour. This is defined as the hours of occupancy by paid hirers. The industry standard for this type of facility is around 40 per cent occupancy, which equates to 6,585 hours per year, or just under 550 hours a month. Our occupancy has more than doubled in the last five years and we aim to reach the industry standard by 2020 through new marketing strategies and community involvement.
11. When considering the number of hours that the facility is occupied and the change in operational deficit, progress is being made. In 2012/13 it cost the council £50.86 for every hour the building was occupied. By 2017/18 this cost had decreased to £43.20 due to increased overall income. Although this cost has increased when compared with 2016/17, due to a 19% decrease in occupied hours in 2017/18.

Year	Net financial position (deficit)	Total hours of occupancy	Percentage of available hours booked	Average cost per occupied hour
2013/14	£184,321	4064	25%	£45.35
2014/15	£226,643	5070	31%	£44.70
2015/16	£215,539	6060	37%	£35.57
2016/17	£237,956	6270	38%	£37.95
2017/18	£219,539	5082	31%	£43.20

12. This decrease in occupancy is due to several factors. These include a decrease in the overall number of regular hirers; King Alfred's Academy have now built their own hall and no longer require the main auditorium (The Ridgeway) as frequently. Setting all tariffs at the same rate for all existing and potential hirers has resulted in the loss of some business and some classes cancelled or did not rebook due to low attendance. However, we feel that now the room tariffs are fair and equitable for all this loss has now plateaued. New marketing and promotion of bookable rooms is underway, targeting businesses, community groups and one-off events e.g. parties and celebrations.
13. However, the average cost per occupied hour only measures the hours of occupancy by paid hirers. This doesn't reflect the number of people using The Beacon and benefitting from it, for example, those who use the café, visit the town council or attend events booked by regular hirers. To better reflect the total usage of The Beacon, officers have looked at the cost per visit for 2017/18. The total number of visitors to The Beacon in 2017/18 was 154,666. The resulting cost per visit was £1.42. This will be a key measure of performance for future years.
14. During 2018/19 a full benchmarking exercise will be undertaken to ensure that room rates remain competitive and attract and retain customers. Further work will be carried out to review expenditure.

KPI 3: Attract new audiences and users

15. During 2017/18 The Beacon has gained four new regular hirers and attracted new audiences by expanding the programme of events. Appendix A shows the geographical spread of customers, who attend the shows at The Beacon.

Audiences travel from across both the Vale and South Oxfordshire to attend, and the majority of customers attend an event once or twice a year.

16. We have attracted acts, such as Phill Jupitus, Rich Hall, and Ray Parlour. The plan is to continue to secure a broad spectrum of acts to attract new audiences. 2018/19 has live shows from comedians Sean Lock, Seann Walsh and Rory Bremner, and we have an audience with MasterChef presenter Gregg Wallace.
17. The ongoing live performances from The National Theatre continue to prove popular, for example, King Lear with Ian McKellen.
18. There has been a 67 per cent increase in ticket sales compared with 2016/17. Ticket sales in 2016/17 totalled 4,815 and this increased to 8,042 in 2017/18. More performances were introduced, and the cinema and panto performances continued to attract larger audiences. As this area of the business grows, ticket sales will be a key performance measure in future.

KPI 4: Improve the customer experience to ensure repeat business

19. Customer service remains a top priority for The Beacon and the staff are regularly complimented for their excellent, friendly and efficient service.
20. The Beacon is primarily a community venue and great emphasis is placed on working with the wider Vale of White Horse community and encouraging community activities. For example, an accomplished local musician performs free of charge in the coffee shop every Wednesday morning and has developed a loyal following of residents (between 6-10 residents each session) from the newly built retirement accommodation adjacent to The Beacon and local area. This is helping combat loneliness and isolation, and has led to individuals joining other community events held at The Beacon, for example keep fit classes. The local Women's Institute now meets at The Beacon making use of the coffee shop.
21. The menu available from the coffee shop has been reviewed and improved. It offers seasonal hot and cold food with healthy options and has resulted in excellent feedback from customers and contributed to exceeding the income target for the coffee shop by £4,650. Reviewing the menu is now done throughout the year to offer seasonal variations.
22. We have also upgraded the building by replacing the blinds in all the rooms as well as making improvements to Lockinge; this included a new audio system as well as the hearing loop being upgraded.

Customer feedback

23. We have feedback cards in reception as well as on the reception desk and in the coffee shop and bar where customers can leave their comments and suggestions. We aim to have compliments making up at least 80% of the comments received. Feedback figures for 2017/18 are:

- 87 compliments (94%)
- 0 formal complaints made via the corporate complaints procedure (0%)
- 4 negative comments or feedback around performances or facilities (4%)
- 2 suggestions (2%)

Below are some of the comments, suggestions and complaints we received during 2017/18

Comments

- A big thank you to all for hosting our wedding reception. The evening was a great success with everyone enjoying the venue, the food and the music.
- What a great night it was on Friday! We LOVE performing at The Beacon. Please pass on our thanks to the whole team there, they're all amazing.
- I want to congratulate you and your team for the wonderful line up in your new brochure. I will certainly be coming to more events this year!
- That was amazing music, a privilege to be there. Powerful set that will stay with me a long time. 🙌 The Beacon for putting it together.

Suggestions

- What is happening with the live events is fantastic. We are so pleased to be able to walk to our local venue to see names like Jeremy Hardy and all of the NT Live, and we are hoping for more! I would love the ballet to be screened here from the Royal Opera House.
- Fantastic evening just a shame on arrival at 8:00... there were no cold beers left in the fridges! Poor effort considering it was a known sell out!

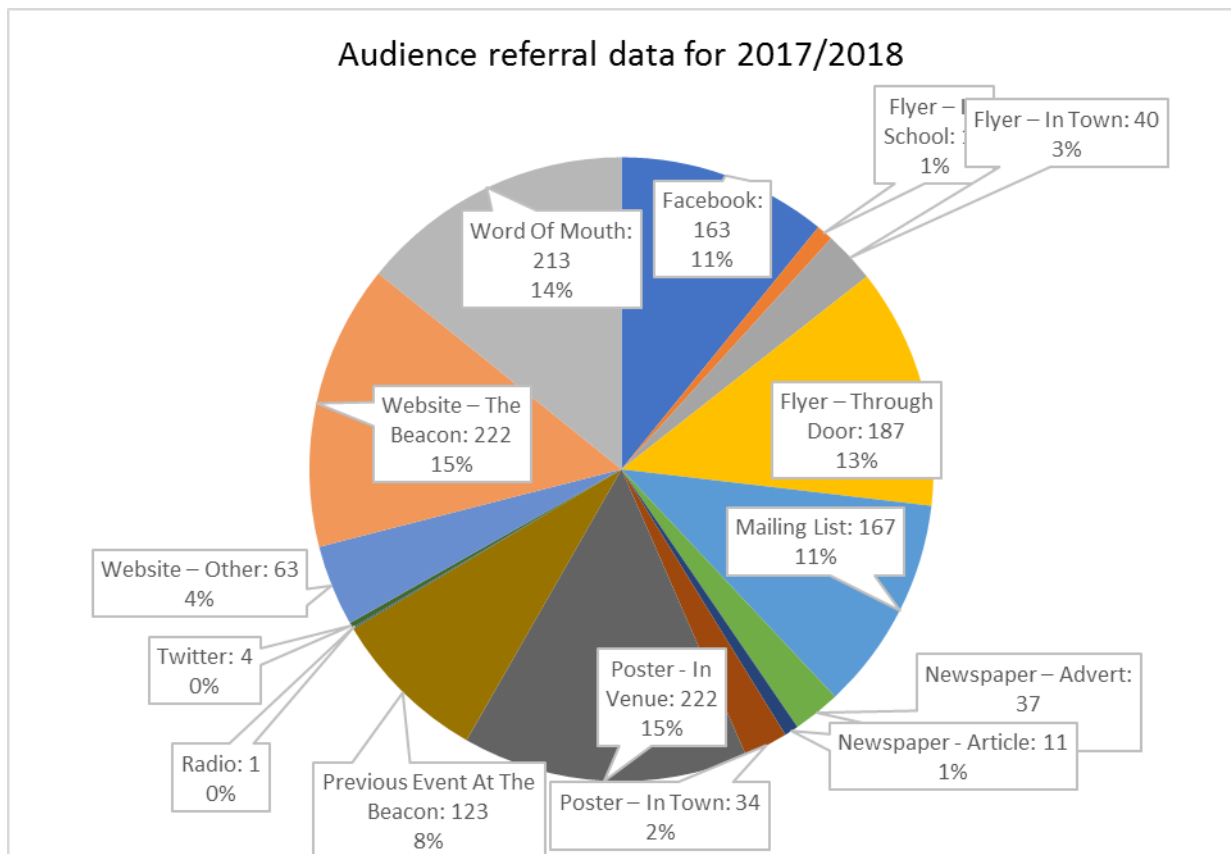
For 2018/19, we are working on a proactive approach to seeking customer feedback including a post performance survey. We are also ensuring that any online negative comments or suggestions are responded to promptly.

KPI 5: Raise awareness of the facility and improve communication

24. We have continued to raise our profile through social media and our online presence:

Online Audience growth	2016/17	2017/18
Mailing list subscribers	904	1,068 (+18%)
Facebook page likes	1195	1,514 (+27%)
Twitter followers	683	893 (+31%)

25. The chart below shows a changing pattern in how customers learn of the activities and events taking place at The Beacon. There have been more referrals from social media platforms than in previous years. However, the top three referral methods are the website; a poster in the venue and word of mouth.



This data has been taken from a sample of 1,500 ticket bookings over 2017/18.

26. Plans for 2018/19 include a new marketing and promotion strategy reaching out to the wider VOWH community and seeking new markets and new platforms to promote The Beacon, including greater and better use of social media.

Energy saving measures

27. Over the past year the staff have undertaken training on the Building Management System (BMS) so that it is now used to maximise efficiency. The BMS monitors and regulates the internal and external temperatures to ensure that rooms are heated or ventilated to the correct level automatically thus reducing the need for human intervention and rooms heated when not in use. The current light bulbs are being replaced with energy efficient ones, once they have expired. This will result in longer service life of lighting and reduced energy costs.

28. We are looking to replace the external lights with more energy efficient ones during this current financial year.

The Beacon as a community asset

29. The Beacon is a community asset and contributes social value in several ways:

- Food bank occupies a room on the top floor, free of charge, which directly helps with the collection, storage and ultimately distribution of food to individuals and families in hardship in VOWH.
- We are the point of contact in town for all Council related queries (Town, District and County)

- We have many regular coffee shop customers (elderly and disabled) who come in for a drink and a chat with our staff. Our staff get to know these individuals and can often be the only contact that these residents have on a daily basis.
- Residents of the newly built retirement complexes use the coffee shop as a meeting point, making new friends in a safe and friendly environment not far from home
- The public make use of the toilets when the public toilets in the town are closed. Often elderly residents or school children use our toilets as they feel safer at The Beacon
- Monthly cinema screenings continue to be well received and attended. Benchmarking across multiplex venues across VOWH indicates that the cost of taking a family to a multiplex is often prohibitive (£40 for 2 adults and 2 children) compared to £16 for the same family at The Beacon.

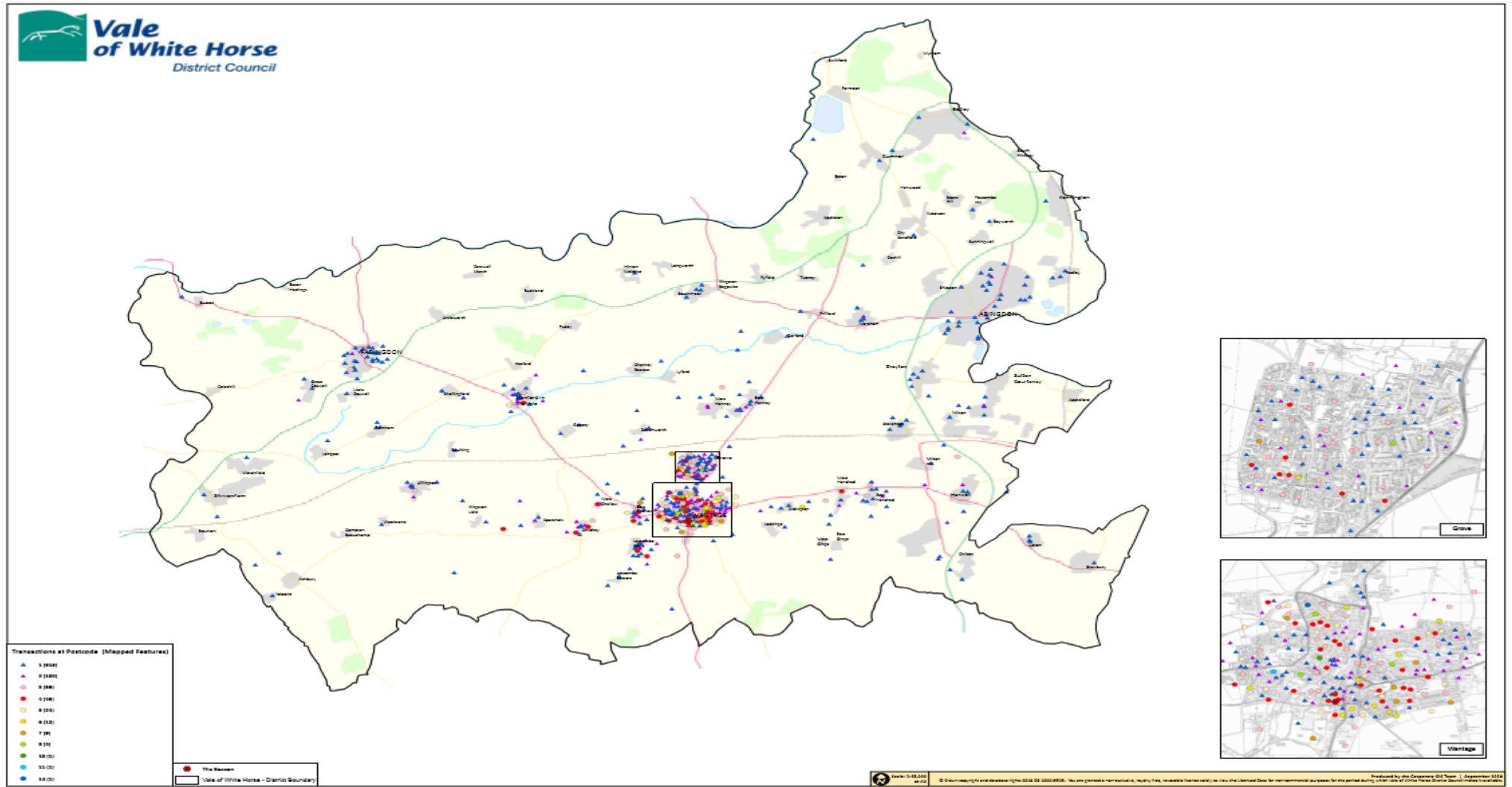
Summary of plans for 2018/19

- A new marketing and promotion strategy reaching out to the wider VOWH community and beyond. Seeking new markets and new platforms to promote The Beacon.
- New social media strategy. Investigating new platforms and using existing platforms differently to engage with the community, promote events and activities and generate customer insight to drive performance improvement.
- Relaunching The Beacon across VOWH promoting it for community-based activities and projects.
- Review the current Business Plan to produce the plan for 2019/20 onwards.

Conclusion

30. The committee is asked to note this report on performance at The Beacon since the last meeting and make any further suggestions to the cabinet member for community services

Appendix A - Geographical spread of VOWH customers



Geographical spread of SODC customers

