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**BRENT DAVIS**  
**CHIEF EXECUTIVE**  
Town Hall, Nuneaton,  
Warwickshire, CV11 5AA

Our Ref: KB

Your Ref:

Date: 20<sup>th</sup> June 2023

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e-mail: committee@nuneatonandbedworth.gov.uk  
If calling please ask for: Committee Services

Dear Sir/Madam,

An Extraordinary meeting of the **FINANCE AND PUBLIC SERVICE OVERVIEW AND SCRUTINY PANEL** will be held in the Council Chamber, Town Hall, Nuneaton on **Wednesday 28<sup>th</sup> June 2023** at **6.00 p.m.**

Please note that meetings will be recorded for future publication on the Council's website.

Yours faithfully,

Brent Davis

Chief Executive

To: All Members of the Finance and  
Public Service Overview and Scrutiny  
Panel

Councillors D. Brown (Chair), C. Watkins (Vice-Chair),  
R. Baxter-Payne, L. Downs, B. Hammersley, S.  
Harbison, J. Kennaugh, K. Kondakor, M. Tromans and  
Mrs D. Ross.

## A G E N D A

### PART 1 – PUBLIC BUSINESS

1. EVACUATION PROCEDURE

A fire drill is not expected, so if the alarm sounds please evacuate the building quickly and calmly. Please use the stairs and do not use the lifts. Once out of the building, please gather outside the Virgin Money Building (formerly the Yorkshire Bank) on the opposite side of the road.

Exit by the door by which you entered the room or by the fire exits which are clearly indicated by the standard green fire exit signs.

If you need any assistance in evacuating the building, please make yourself known to a member of staff.

Please also make sure all your mobile phones are turned off or set to silent.

Chair to advise the meeting if all or part of the meeting will be recorded for future broadcast.

2. APOLOGIES - To receive apologies for absence from the meeting.

3. DECLARATIONS OF INTEREST/PARTY WHIP - To receive declarations of Disclosable Pecuniary and Other interests in accordance with the Members' Code of Conduct and of the Party Whip in accordance with the Overview and Scrutiny Procedure Rules 4E, Paragraph 16(b).

#### Declaring interests at meetings

If there is any item of business to be discussed at the meeting in which you have a disclosable pecuniary interest or non-pecuniary interest (Other Interests), you must declare the interest appropriately at the start of the meeting or as soon as you become aware that you have an interest.

Arrangements have been made for interests that are declared regularly by members to be appended to the agenda (**Page 6**). Any interest noted in the Schedule at the back of the agenda papers will be deemed to have been declared and will be minuted as such by the Committee Services Officer. As a general rule, there will, therefore, be no need for those Members to declare those interests as set out in the schedule.

There are, however, TWO EXCEPTIONS to the general rule:

1. When the interest amounts to a Disclosable Pecuniary Interest that is engaged in connection with any item on the agenda and the member feels that the interest is such that they must leave the room. Prior to leaving the room, the member must inform the meeting that they are doing so, to ensure that it is recorded in the minutes.
2. Where a dispensation has been granted to vote and/or speak on an item where there is a Disclosable Pecuniary Interest, but it is not referred to in the Schedule (where for example, the dispensation was granted by the Monitoring Officer

immediately prior to the meeting). The existence and nature of the dispensation needs to be recorded in the minutes and will, therefore, have to be disclosed at an appropriate time to the meeting.

Note: Following the adoption of the new Code of Conduct, Members are reminded that they should declare the existence and nature of their personal interests at the commencement of the relevant item (or as soon as the interest becomes apparent). If that interest is a Disclosable Pecuniary or a Deemed Disclosable Pecuniary Interest, the Member must withdraw from the room.

Where a Member has a Disclosable Pecuniary Interest but has received a dispensation from Audit & Standards Committee, that Member may vote and/or speak on the matter (as the case may be) and must disclose the existence of the dispensation and any restrictions placed on it at the time the interest is declared.

Where a Member has a Deemed Disclosable Interest as defined in the Code of Conduct, the Member may address the meeting as a member of the public as set out in the Code.

Note: Council Procedure Rules require Members with Disclosable Pecuniary Interests to withdraw from the meeting unless a dispensation allows them to remain to vote and/or speak on the business giving rise to the interest.

Where a Member has a Deemed Disclosable Interest, the Council's Code of Conduct permits public speaking on the item, after which the Member is required by Council Procedure Rules to withdraw from the meeting.

4. PUBLIC CONSULTATION - Members of the public will be given the opportunity to speak on specific agenda items if notice has been received.
5. BEDWORTH CIVIC HALL – NEXT STEPS - UPDATE - The decision of Cabinet on the 24<sup>th</sup> May 2023 regarding the Bedworth Civic Hall Next Steps Update has been 'called-in' The following documents are attached:
  - a) Request for Call-In received 8<sup>th</sup> June, 2023 (**Page 8**)

The call in has been assessed against Article 12: Principals of Decision Making as detailed within the Council Constitution. Following this assessment four of the five call in areas have been rejected as they fully comply with the Article 12 Principals.

The fifth area of the call in relates to the 'third sector model', this has been accepted as clarity is required between the approach advocated in the cabinet report dated 9<sup>th</sup> November 2022 and the council policy as articulated in Council minute CL40 from the Council meeting held on 14<sup>th</sup> December 2022 (see below).

*c) to welcome the expressions of Interest process that has been launched to move the running of the Civic Hall from an unsustainable and expensive public subsidy to a third sector model.*

(Full extract of Council Minute CL40 included in the agenda pack.)

- b) Extract of Cabinet Minute CB4 of 24<sup>th</sup> May, 2023 **(Page 9)**
- c) Report to Cabinet dated 24<sup>th</sup> May, 2023 **(Page 10)**
- d) Report to Cabinet dated 9<sup>th</sup> November 2022 **(Page 20)**
- e) Extract of Council Minute CL40 dated 14<sup>th</sup> December 2022 **(Page 46)**

# Nuneaton and Bedworth Borough Council

## Building A Better Borough

*Nuneaton and Bedworth 2032: working in partnership, restoring pride in our borough*

### **AIM 1: LIVE**

We want to make our borough a place where our residents enjoy living and in which others choose to make their home.

**Priority 1: Promote residents' health and wellbeing**

**Priority 2: Enable appropriate housing development**

**Priority 3: Sponsor a sustainable green approach**

**Priority 4: Prioritise community safety and empowerment**

### **AIM 2: WORK**

Using our prime location within the national road and rail networks and responding to the needs of private companies, we want to make our borough a place in which businesses choose to locate and where our residents enjoy a range of employment options.

**Priority 1: Grow a strong and inclusive economy**

**Priority 2: Champion education and skills**

**Priority 3: Embrace new and emerging technology**

**Priority 4: Support local businesses**

### **AIM 3: VISIT**

Taking advantage of our open green spaces, our heritage, and our location within the West Midlands, we want our borough to be a vibrant destination for residents and visitors alike. A place where people and families want to spend time relaxing, socialising and taking part in leisure and cultural activities.

**Priority 1: Create vibrant and diverse town centres**

**Priority 2: Stimulate regeneration**

**Priority 3: Celebrate and promote our heritage**

**Priority 4: Improve the physical environment**

**Finance and Public Services Overview and Scrutiny Panel - Schedule of Declarations of Interests – 2023/2024**

	<b>Name of Councillor</b>	<b>Disclosable Pecuniary Interest</b>	<b>Other Personal Interest</b>	<b>Dispensation</b>
	General dispensations granted to all members under s.33 of the Localism Act 2011			Granted to all members of the Council in the areas of: <ul style="list-style-type: none"> <li>- Housing matters</li> <li>- Statutory sick pay under Part XI of the Social Security Contributions and Benefits Act 1992</li> <li>- An allowance, payment given to members</li> <li>- An indemnity given to members</li> <li>- Any ceremonial honour given to members</li> <li>- Setting council tax or a precept under the Local Government Finance Act 1992</li> <li>- Planning and Licensing matters</li> <li>- Allotments</li> <li>- Local Enterprise Partnership</li> </ul>
	R. Baxter-Payne	Manager Brinklow Quarry Ltd, Brinklow; County Councillor - WCC	Spouse: Self-employed childminder  Member of the following Outside Bodies: <ul style="list-style-type: none"> <li>• West Midlands Combined Audit, Risk and Assurance Committee</li> <li>• Warwickshire Adult Social Care and Health Overview and Scrutiny Committee (substitute)</li> </ul>	
	D. Brown	Employed by H.M Land Registry	Regional Coordinator, Ragdoll Rescue Charity.  Representative on the following Outside Bodies: <ul style="list-style-type: none"> <li>• Exhall Education Foundation (Council appointment).</li> </ul>	
	L. Downs	River Bars Limited; Coventry Plus Beyond the Plane Little Caesars Donuts Limited NBBC Council Contract for market pitch	Member on the following Outside Body: <ul style="list-style-type: none"> <li>• Hammersley, Smith and Orton Charity</li> </ul>	
	B. Hammersley	County Councillor – W.C.C.	Member on the following Outside Bodies: <ul style="list-style-type: none"> <li>• Hammersley, Smith and Orton Charity</li> </ul>	

	<b>Name of Councillor</b>	<b>Disclosable Pecuniary Interest</b>	<b>Other Personal Interest</b>	<b>Dispensation</b>
	S. Harbison	Self Employed	Member of Conservative and Unionist Party. Member on the following Outside Bodies: <ul style="list-style-type: none"> <li>• Astley Charity</li> </ul>	
	J. Kennaugh	County Councillor W.C.C.  Employed by FedEx Express UK Ltd	Member of the W.C.C. Regulatory Committee Member of the Conservative Party Member of UNITE the Union  Member on the following Outside Bodies: <ul style="list-style-type: none"> <li>• EQUIP</li> </ul>	
	K.A. Kondakor	Electronic and Embedded Software Design Engineer (self-employed)	Unpaid Director of 100% Renewables UK Ltd  Green Party (E&W)	
	M. Tromans	Warwickshire County Councillor (Galley Common)  Share in a rental property in Hydes Pastures, Nuneaton	Member of WI  Member of the Conservative Party	
	C.M. Watkins	Employee of Nutri Pack	Representative on the following outside bodies: <ul style="list-style-type: none"> <li>• Nuneaton and Bedworth Community Enterprises Ltd. (NABCEL)</li> </ul>	

**NUNEATON AND BEDWORTH BOROUGH COUNCIL**

**Request for Call In**

This form is to be used when calling in a decision taken by the Executive, an individual Member of the Executive, or a key decision made by an officer with delegated authority from the Executive, or under joint arrangements. An extract from the call in procedure is set out overleaf. The full procedure is set out in the Constitution.

DECISION TAKEN BY: CABINET

DATE: 24<sup>th</sup> May 23

PUBLISHED DATE 2nd June 23

(State which decision making principle has not been complied with. Decision making principles are attached)

OUTSIDE BUDGET AND POLICY FRAMEWORK  
12.2 A-B-D-E-F-G PROPORTIONALITY, DUE CONSULTATION  
PRESUMPTION IN FAVOUR OF OPENNESS

ITEMS TO BE CALLED IN: CLARITY OF AIMS AND DESIRED OUTCOMES  
OPTIONS OFFERED FOR CONSIDERATION

BEDWORTH, CIVIC HALL

**REASONS FOR CALL IN**

(The request must state whether or not you believe that the decision is not in accordance with Article 12 or outside the budget or Policy framework)

- Rejected ~~THE CIVIC HALL HAS BEEN REGISTERED AS AN ASSET OF COMMUNITY VALUE.~~
- Rejected ~~THE CRITERIA DOES NOT REFLECT THIS LACK OF EQUITY ON HOW THE CRITERIA WAS WORKED OUT. THE LOW WEIGHTING GIVEN TO SOCIAL VALUE AND COMMUNITY VALUE 20% TIME SCALES ARE TOO SHORT AND HAVE NOT BEEN CONSULTED ON~~
- Accepted THE THIRD SECTOR MODEL HAS BEEN CHANGED

**PROPOSED ALTERNATIVE COURSE OF ACTION:**

THAT THE CRITERIA IS RELOOKED AT. A REPORT IS PREPARED AND SCRUTINISED  
OUTLINE OF HOW THE CRITERIA AND WEIGHING IS WORKED OUT  
SOCIAL VALUE BE GIVEN 50%  
TIME SCALES ARE REVIEWED TO 12 WEEKS MINIMUM 16 WEEKS MAXIMUM  
EXPLANATION AND REPORT IN REGARD TO THE CHANGING OF THE THIRD SECTOR MODEL

**DOCUMENTATION REQUIRED BY OVERVIEW AND SCRUTINY PANEL:**

SIGNED: Councillor Chris Watkins OSP      Councillor: J. SHEPPARD OSP

PRINT NAME CHRIS WATKINS      PRINT NAME J. SHEPPARD

Councillor: NEIL PHILLIPS      Councillor: T. SHEPPARD

PRINT NAME Neil Phillips      PRINT NAME [Signature]

Emma Shiers

[Signature]



**EXTRACT OF CABINET MINUTE – 24<sup>TH</sup> MAY 2023**

**CB4 Bedworth Civic Hall – Update – Next Steps**

The Strategic Director – Public Services submitted a report to Cabinet setting out the next steps for consideration on the future operation of the Civic Hall (Venue).

**RESOLVED** that

- a) the proposed selection criteria at Appendix 1 of the report be approved; and
- b) Delegated Authority be given to the Strategic Director – Finance & Governance and Strategic Director – Economy & Transformation in consultation with the Leisure & Health Manager and Portfolio Holder for Public Services to undertake the selection exercise in accordance with the timetable as set out at Appendix 2 of the report.

**Speakers:**

Sam Margrave

Joanne Browning

Jane Law (submitted a statement that was circulated to Cabinet prior to the meeting)

Steven Young

Nikki Smith

Christine Robson

Rachel Hardy

Janet Batterbee

Wendy Snell

Julie Whitehouse

Councillor Keith Kondakor

Councillor Emma Shiers

Councillor Brian Hammersley

**Options**

Accept recommendations in full.

Do not accept the recommendations.

**Reasons**

At Cabinet on 9th November 2022, the recommendation for Cabinet to approve 'Expressions of Interest' (EOI's) to be sought from suitable interested parties for the potential future operation and management of the Venue was approved in full.

On the 12<sup>th</sup> April, the EOIs were accepted as valid and Cabinet agreed to approach the next stage on the basis of a lease, the terms of which are to be agreed under delegated authority. The next stage in the process is to undertake a formal selection exercise in accordance with the legislation and guidance that is being followed in this instance.

## Report Summary Sheet

**Date:** 24th May 2023

**Subject:** Bedworth Civic Hall – Update - Next Steps

**Portfolio:** Public Services (Councillor S. Markham)

**From:** Strategic Director – Public Services

**Building a Better Borough**

**Aim 1: Live**

**Priority 4: Prioritise Community Safety & Empowerment**

**Summary:** This report sets out the next steps for consideration on the future operation of the Civic Hall (Venue) following the expression of interest submissions. Specifically, the timescales and selection criteria for the forthcoming selection exercise.

### Recommendations:

1. The proposed selection criteria at Appendix 1 be approved; and
2. Delegated authority be given to the Strategic Director - Finance & Governance and Strategic Director - Economy & Transformation in consultation with the Leisure & Health Manager and Portfolio Holder for Public Services to undertake the selection exercise in accordance with the timetable as set out at Appendix 2.

**Reasons:** At Cabinet on 9th November 2022, the recommendation for Cabinet to approve 'Expressions of Interest' (EOI's) to be sought from suitable interested parties for the potential future operation and management of the Venue was approved in full.

On the 12<sup>th</sup> April, the EOIs were accepted as valid and Cabinet agreed to approach the next stage on the basis of a lease, the terms of which are to

be agreed under delegated authority. The next stage in the process is to undertake a formal selection exercise in accordance with the legislation and guidance that is being followed in this instance.

**Options:** Accept recommendations in full.

Do not accept the recommendations.

**Subject to call-in:** Yes

**Ward relevance:** All

**Forward plan:** Yes

**Equal opportunity implications:**

No impacts at this time.

**Human resources implications:**

No impacts at this time.

**Financial implications:**

Once a selection exercise is completed, a lease agreement will need to be put in place, the financial implications of which will have to be reviewed in line with any negotiations held with the successful economic operator.

**Health Inequalities Implications:**

None identified at this time.

**Section 17 - Crime and Disorder Implications:**

There is a risk that anti-social behaviour or crime may be committed on or in the Venue if it stands dormant. Interim measures are in place to monitor the building and support security.

**Risk management implications:**

The Council has assessed the submitted EOI's in accordance with the Localism criteria.

**Environmental implications:**

None

**Legal implications:**

The selection exercise will need to comply with the published Statutory Guidance and the provisions of the Localism Act 2011 & Section 123 of the Local Government Act 1972.

**Contact details:**

Katie Memetovic-Bye – Leisure and Health Manager  
Les Snowdon – Head of Estates  
Matthew Wallbank – Creditors & Procurement Manager

Telephone 024 7637 6147/6249/6258

e-mail: [katie.memetovicbye@nuneatonandbedworth.gov.uk](mailto:katie.memetovicbye@nuneatonandbedworth.gov.uk)

e-mail: [les.snowdon@nuneatonandbedworth.gov.uk](mailto:les.snowdon@nuneatonandbedworth.gov.uk)

e-mail: [matthew.wallbank@nuneatonandbedworth.gov.uk](mailto:matthew.wallbank@nuneatonandbedworth.gov.uk)

## **AGENDA ITEM NO:6**

### **NUNEATON AND BEDWORTH BOROUGH COUNCIL**

**Report to: 24th May 2023.**

**From: Strategic Director – Public Services**

**Subject: Bedworth Civic Hall Update - Next steps**

**Portfolio: Public Services (Councillor S. Markham)**

**Building a Better Borough**

**Aim 1: Live**

**Priority 4: Prioritise Community Safety & Empowerment**

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#### 1. Purpose of Report

- 1.1 This report sets out the next steps for consideration on the future operation of the Civic Hall (Venue) following the expression of interest submissions. Specifically, the timescales and selection criteria for the forthcoming selection exercise

#### 2. Recommendations

- 2.1 The proposed selection criteria at Appendix 1 be approved; and
- 2.2 Delegated authority be given to the Strategic Director - Finance & Governance and Strategic Director - Economy & Transformation in consultation with the Leisure & Health Manager and Portfolio Holder for Public Services to undertake the selection exercise in accordance with the timetable as set out at Appendix 2.

#### 3. Background

- 3.1 At Cabinet on 9th November 2022, the recommendation for Cabinet to approve 'Expressions of Interest' (EOI's) to be sought from suitable interested parties for the potential future operation and management of the Venue was approved in full. This led to an EOI period running from 11th November 2022 until 12pm on Monday 30th January 2023, for interested parties to submit an EOI.
- 3.2 Whilst not completely consistent with the provisions of the Localism Act 2011, the process followed was to mirror that process. The approach adopted followed the Statutory Guidance for a Community Right to Challenge as set out in Sections 81 to 86 of the Localism Act 2011. This was to ensure openness and transparency in the process. The approach also allowed for

commercial entities to submit an expression of interest, which the legislation does not allow for.

- 3.3 The Venue was registered as an Asset of Community Value as of 11th January 2023 pursuant to Section 88 of the Localism Act 2011 and is subject to the moratorium provision set out in section 95 of the Act. The moratorium will apply to any asset disposal of a qualifying leasehold estate. This is defined within the legislation as being a lease of a term of at least 25 years. It follows that the moratorium will not apply to a lease of less than 25 years.
- 3.4 One last factor relates to the disposal of the Venue. Except with the consent of the Secretary of State, the council can't dispose of the Venue for a consideration less than the best that can reasonably be obtained. Usually, this requires the land or property to be placed upon the open market. For this reason, it is proposed that the selection process needs to be a full open bidding process with adherence to the principles of the procurement. This will ensure that a fair and transparent selection process is undertaken.

#### 4. The Next steps

- 4.1 Paragraph 9.1 of the Statutory Guidance requires:

*“When a relevant authority accepts one or more expressions of interest for a relevant service, it must carry out a procurement exercise for the service. The procurement exercise must be appropriate having regard to the value and nature of the contract that may be awarded as a result of the exercise. As is already the case, authorities will need to comply with procurement law.”*

- 4.2 Cabinet's decision of the 12 of April to pursue a lease option for the facility now requires a formal bidding process and it is suggested to undertake a process which aligns with the principles of procurement law. It is therefore proposed to follow the principles of the “Competitive Procedure with Negotiation” pursuant to the principles of Public Contracts Regulations 2015. For the avoidance of any doubt, a lease arrangement falls outside scope of the procurement regulations due to it being a property transaction but the principles of public procurement are to be followed to ensure a fair and transparent process. To undertake this exercise, the selection criteria needs to be approved and published as part of the process. The suggested selection criteria is set out in Appendix 1.
- 4.3 In addition, a timetable for the process needs to be determined. A proposed timetable is set out in Appendix 2.

## 5. Financial Implications

- 5.1 As approved within the Cabinet report of 9<sup>th</sup> November 2022, any suitable proposal will require no financial subsidy from the Council.

## 6. Summary

- 6.1 The Council is required to undertake a formal procurement exercise to ensure that it complies with the openness and transparency provisions of the Procurement Regulations. To do this requires both the selection criteria and the timetable to be approved and made available.

KATIE MEMETOVIC-BYE  
Leisure and Health Manager

LES SNOWDON  
Head of Estates

MATTHEW WALLBANK  
Creditors and Procurement Manager

### Appendices

Appendix 1 – Selection criteria;

Appendix 2 – Timetable

Background Papers

[Community Right to Challenge: statutory guidance - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/guidance/community-right-to-challenge)

## Appendix 1 – Selection Criteria

### Selection Criteria

Criteria	Criteria Title	Weighting
Criterion 1	Price/Rent	80.00%
Criterion 2	Social Value and Community Offering	20.00%
<b>Total</b>		<b>100.00%</b>

### Scoring mechanism

Please note, your response must meet the entire “Comment” set out to achieve the score.

Assessment	Score	Interpretation
Excellent	5	An excellent demonstration by the bidder of a relevant understanding of the question and has proposed resourcing and/or quality measures that will lead to the delivery of the outcomes in scope of the question being provided to a standard that exceeds expectations. Response identifies factors that will offer an excellent methodology, with evidence to support that response.
Good	4	A good demonstration by the bidder of a relevant understanding of the question and has proposed resourcing and/or quality measures that will lead to the delivery of the outcomes in scope of the question being provided to a good standard. Response identifies factors that will offer a good service, with evidence to support that response
Adequate	3	An adequate demonstration by the bidder of a relevant understanding of the question and has proposed resourcing and/or quality measures that will lead to the delivery of the outcomes in scope of the question being provided to an adequate standard. Response identifies factors that will offer an adequate service, with evidence to support that response.
Minor Reservations	2	Some minor reservations, in that the bidder fails to demonstrate in some areas either a relevant understanding of the question, or that the proposed



		resourcing and/or quality measures will lead to the delivery of the outcomes in scope of the question not being provided to an adequate standard.
Serious Reservations	1/Fail	Considerable reservations, in that the bidder fails to demonstrate in most areas either a relevant understanding of the question, or that the proposed resourcing and/or quality measures will lead to the delivery of the outcomes in scope of the question being not being provided to an adequate standard
Unacceptable	0/Fail	No evidence provided by the bidder and/or insufficient information to demonstrate that the Bidder has relevant understanding of the Council's requirements, or that the proposed resourcing and/or quality measures will lead to the services not being provided to an adequate standard.

### Criteria 1 – Price/Rent

Rental offers received will be ranked from highest to lowest.

The highest will receive the maximum score of 80%

The remaining offer/s will be allocated a score as a proportion of the highest offer received.

The Council may request bidders/business plans/financial strategies to verify the financial viability of the organisation placing the bid. The Council may evaluate and seek clarification on bidders details to verify the submission.

The Council reserves the right to not award to an organisation that is not deemed financial sustainable.

### Criteria 2 – Social Value

As an Asset of Community Value, please explain below how you will deliver social value as an owner (via a leasehold agreement) in support of the following key themes within the local and wider community:

1. Employment & Training
2. Support the Community
3. Supporting Local Businesses
4. Sustainable Environment

## **PRICE/RENTAL EVALUATION ILLUSTRATION**

Allocated score for this element of the evaluation is 80%

Process:

Rental offers will be ranked from highest to lowest.

The highest will receive the maximum score of 80%

The remaining offer/s will be allocated a score as a proportion of the highest offer received.

Where more than one payment is proposed, or payment/s deferred they will be brought back to a value at the tender closing date utilising an appropriate market rate (i.e. Net Present Value).

Worked example:

Developer A offers £50,000

Developer B offers £25,000

Developer A will score a maximum score of 80%

Developer B will score 40% (i.e.  $\text{£}25,000/\text{£}50,000 \times 80\% = 40\%$ )

## Appendix 2 – Timetable

For the avoidance of any doubt, this document does not seek approval for option 1 or option 2. This document sets out the proposed timetable with two options subject to the acceptability of any initial bid submitted. Please therefore view option 1 as a best-case scenario (i.e. an initial bid is received which is acceptable to the Council without modification) whereas option 2 outlines a timetable based on the Council requiring a negotiation period to negotiate with prospective economic operators following receipt of an initial bid (i.e. a two stage process whereby negotiation is required in order to obtain best and final offers (BAFO)).

Please note however, option 2 is not guaranteed so on the basis the Council receives at least one bid which is acceptable, it may proceed with the timetable outlined in option 1 only.

Option 1 – No negotiation on the basis an initial submission is acceptable without negotiation.

Stage	Date
Opportunity Issued	Wednesday 7 <sup>th</sup> June 2023
Deadline for Clarifications	Monday 10 <sup>th</sup> July 2023
Submission Date	Wednesday 19 <sup>th</sup> July 2023 – 12:00 midday
Notification of Outcome	Wednesday 9 <sup>th</sup> August 2023

Option 2 – Negotiation required and therefore a Best and Final Offer (BAFO) process is required.

Stage	Date
Opportunity Issued	Wednesday 7 <sup>th</sup> June 2023
Deadline for Clarifications	Monday 10 <sup>th</sup> July 2023
Submission Date*	Wednesday 19 <sup>th</sup> July 2023 – 12:00 midday
Notice to proceed to negotiation	Wednesday 9 <sup>th</sup> August 2023
Negotiation Period	Week Commencing 14 <sup>th</sup> August 2023
Period for best and final offers to be compiled	Monday 21 <sup>st</sup> August 2023 – Monday 11 <sup>th</sup> September 2023
Submission date for best and final offers (BAFO)	Monday 11 <sup>th</sup> September 2023 – 12:00 midday
Notification of Outcome	Monday 25 <sup>th</sup> September 2023

## Report Summary Sheet

**Date:** 9th November 2022

**Subject:** Expressions of Interest – Bedworth Civic Hall

**Portfolio:** Public Services (Councillor S. Markham)

**From:** Director – Public Services

### Summary:

This report seeks Cabinet's approval for the Council to seek 'Expressions of Interest' from suitable interested parties for the potential future operation and management of the Bedworth Civic Hall.

### Recommendations:

1. That Cabinet approves 'Expressions of Interest' to be sought from suitable interested parties for the potential future operation and management of the Bedworth Civic Hall.

### Options:

- a) Approve the recommendation in full.
- b) Not proceed with the recommendation.

### Reasons:

1. Following the early termination of the Coventry Warwickshire Partnership Trust (CWPT) licence at the end of October 2022, to use the Bedworth Civic Hall as a vaccination site, Cabinet has had to consider the re-opening of the Civic Hall site earlier than anticipated.
2. Cabinet at its meeting on 12<sup>th</sup> October 2022 decided that the Bedworth Civic Hall should not re-open at this time, due to the resources and operational costs required to bring the facility back into operation. This is in the context of the significant strain already being placed upon Council's resources. The decision is currently subject to "call-in" by the Finance and Public Services OSP, which is to be heard on the 17<sup>th</sup> November.

3. Cabinet now needs to consider the options for the future of the Civic Hall. This report seeks to do that by recommending that the Council seek expressions of Interest from suitable interested parties who have the necessary skills, knowledge, experience and financial backing to submit a business case to operate the Civic Hall. Any suitable proposal will require no financial subsidy from the Council.

**Consultation undertaken with Members/Officers/Stakeholders**

Chief Executive, Portfolio Holder - Public Services,

**Subject to call-in:** No

**Ward relevance:** Bede

**Forward plan:** No

**Building a Better Borough Aim 1:** Live

**Priority 4:** Prioritise Community Safety & Empowerment

**Relevant statutes or policy:**

N/A

**Equalities Implications:** An equality impact screening assessment has been undertaken on not re-opening the Civic Hall site at this time, which identified no direct equality implications on this decision.

**Human resources implications:** Officer time from Legal, Finance, and Leisure would be required to assess expressions of interest applications.

**Financial implications:**

To re-open the facility as an entertainment venue and undertake necessary essential maintenance works would cost circa £100K (includes Fire Risk Assessment and ACM removal, stage & floor repairs and general maintenance throughout). A future circa £700 - £750K estimate, inclusive of all requirements needed to give the Civic Hall a resilient heating future for the next 20 as the responsible best practice route to take

to refurbish the very old / obsolete boiler house with new boilers, Control Panel and Building Energy Management System. This excludes radiators, pipe work and control valves at a further cost circa £200K.

**Health Inequalities Implications:** N/A

**Section 17 Crime & Disorder Implications:** N/A

**Risk management implications:**

**Environmental implications:** N/A

**Legal implications:**

N/A

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**AGENDA ITEM NO: 18**

**NUNEATON AND BEDWORTH BOROUGH COUNCIL**

**Report to:** 9<sup>th</sup> November 2022

**From:** Director – Public Services

**Subject:** Expressions of Interest – Bedworth Civic Hall

**Portfolio:** Public Services (Councillor S. Markham)

**Building a Better Borough Aim 1: Live**

**Priority 4 : Prioritise Community Safety & Empowerment**

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1. Purpose of Report

This report seeks Cabinet’s approval for the Council to seek ‘Expressions of Interest’ from suitable interested parties for the potential future operation and management of the Bedworth Civic Hall.

2. Recommendation

That Cabinet approves ‘Expression of Interests’ to be sought from suitable interested parties for the potential future operation and management of the Bedworth Civic Hall.

3. Background

3.1 Following the early termination of the Coventry Warwickshire Partnership Trust (CWPT) licence at the end of October 2022, to use the Bedworth Civic Hall as a vaccination site, Cabinet has had to consider the re-opening of the Civic Hall site earlier than anticipated.

3.2 Cabinet at its meeting on 12th October 2022 decided that the Bedworth Civic Hall should not re-open at this time, due to the resources and operational costs required to bring the facility back into operation. This is in the context of the significant strain already being placed upon Council’s resources. The decision is currently subject to “call-in” by the Finance and Public Services OSP, which is to be heard on the 17th November 2022.

3.3 At the Council meeting on 19th October 2022 Members also approved a question on this issue be discussed at a future OSP meeting. This will be dealt with at the meeting arranged for 17th November 2022.

- 3.4 Cabinet now needs to consider the options for the future of the Civic Hall. This report seeks to do that by recommending that the Council seek expressions of Interest from suitable interested parties who have the necessary skills, knowledge, experience and financial backing to submit a business case to operate the Civic Hall. Any suitable proposal will require no financial subsidy from the Council.
- 3.5 In November 2021 the Council commissioned a report from Strategic Leisure to consider the future options available for operating the Civic Hall, following the pandemic and future investment requirements. The report is attached as Appendix A to this report.
- 3.6 Appendix A sets out several options, many of which require financial investment by the Council. Due to a lack of resources and the financial strain caused by operational costs, it had been determined that bringing the facility back into operation was not possible. There may, however, be options outside of the Council which should be considered.

#### 4. Current position

- 4.1 The Bedworth Civic Hall will cease operations on Monday 31<sup>st</sup> October 2022.
- 4.2 Before any final decision is taken on the future of the existing building, there is an opportunity to seek expressions of interest on alternative service delivery options from suitable interested parties. Those parties will need to show that they have the necessary skills, knowledge, experience and financial backing to operate and manage a site of this size and with the current immediate maintenance and future capital investment required.

#### 5. Financial Implications

- 5.1 The Council finds itself in a very challenging financial position. The in-year financial monitoring indicates that there is a budget overspend of £873,860 (at the end of September 2022) on the General Fund.
- 5.2 The budget for 2022/23 predicted a savings target of £1.56m, with the draft budget for 2023/24 to be presented to Cabinet in December 2022.
- 5.3 With this as a financial back-drop, the Council needs to review its expenditure on all services, especially discretionary services, such as the Civic Hall.
- 5.4 The future operation of the Civic Hall by the Council cannot now be sustained and so the only option now considered viable is to secure an external operator. The Council has no funds to support any such expression of interest to operate the Civic Hall and applicants will have to clearly demonstrate they have a sustainable business model.



Review of Bedworth Civic Hall

# Nuneaton and Bedworth Council

A report by Strategic Leisure Limited

November 2021



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## 1. Introduction and background

- 1.1. Nuneaton and Bedworth Borough Council (NBBC) owns and operates the Civic Hall, High Street, Bedworth. The Civic Hall is a multi-purpose performance venue which comprises a 745 seat auditorium, a small hall, meeting and conference rooms, a bar and a cafeteria which is open to the public. It also includes an Arts Centre which is leased to a local Arts Charity group.
- 1.2. The Civic Hall has been closed as an entertainment venue since 19 March 2020 in response to the Covid-19 pandemic. The building is currently used by the Coventry and Warwickshire Partnership Health Trust as a Covid-19 Vaccination Centre. This arrangement is due to terminate on 31<sup>st</sup> March 2022.
- 1.3. The closure of the venue for a significant period during part of which it is understood that competitor venues in the vicinity have re-opened, coupled with any possible Covid-19 related reluctance on the part of audiences to return to the Civic Hall on its eventual re-opening has led to NBBC seeking advice and guidance on a number of issues; including
- **The general market position of the arts/theatre sector as it relates to the Civic Hall, Covid recovery and similar;**
  - **The Civic Hall's current positioning in the Borough in social value terms and what it could provide in the current and future market place;**
  - **An appreciation of the competitors in the area and how that may impact on any future positioning of the Civic Hall;**
  - **Required actions to reduce the future financial support required by the venue;**
  - **Opportunities for external management to significantly reduce NBBC's financial exposure and support required; and**
  - **An objective consideration of the Civic Hall and recommendations for the short/medium to long term.**

## 2. General market position of the arts/theatre sector

- 2.1. The arts, together with other areas of the recreational/cultural sector (sports, green spaces, heritage etc) can make a significant contribution to the Covid-19 recovery process; with the arts making a particular contribution to mental, emotional and psychological health.
- 2.2. Having said that, the willingness of individuals to engage in arts, including theatre, activities has been, and remains, heavily influenced by concerns over the risk of Covid-19 infection; especially from attendance at indoor venues. The longer indoor venues are closed and the longer it takes for audiences to return following their re-opening, the greater will be the loss of income, and the need for financial support for venues.
- 2.3. The Cultural Participation Monitor (CPM) national research programme into the effects of Covid-19 on the cultural sector is a longitudinal study undertaken across a representative sample of the wider population and all cultural sectors to assist in understanding and tracking change over time in the public's cultural participation through and beyond the Covid-19 pandemic.
- 2.4. The CPM's September 2021 iteration concentrated on Covid-19 related concerns, the effect of working from home in response to Covid-19 on cultural engagement and the potential challenges that shows will face later this year and into 2022. The key findings are:-
- **While people's sense of wellbeing is slowly improving, their concern over falling ill with Covid-19 is growing and most expect further lockdowns this year and next;**
  - **Willingness to attend has not improved since June '21 and people remain worried about others' behaviour, though they do not appear to think there is much more that organisations and venues themselves should be doing to make them feel safe;**
  - **Most people who have worked from home for some or all of the pandemic expect to continue to do so for the foreseeable future. As these tend to be high cultural engagers they may drive increased local engagement in the future; and**
  - **People expect to engage less with arts, culture and heritage in the future; with a particular decline in interest in festive shows.**
- 2.5. More detailed findings from the September '21 CPM iteration, together with those from the June '21 iteration where appropriate are given below:-

**Worried about falling ill with Covid-19**

2.6. Respondents indicating Strongly Agree or Agree:-

**Table 1: Worried about falling ill with Covid-19**

<b>September 2021</b>	57%
<b>June 2021</b>	52%

**Expecting additional lockdowns**

2.7. Respondents indicating very Likely and Likely:-

**Table 2: Expecting additional lockdowns**

<b>By Christmas 2021</b>	67%
<b>In 2022</b>	65%
<b>In 2023</b>	42%

**Willingness to attend arts/cultural events and activities**

2.8. % of respondents indicating:-

**Table 3: Willingness to attend arts/cultural events and activities**

	<b>Sept '21</b>	<b>June '21</b>
<b>Happy to attend</b>	28%	29%
<b>Would consider but with reservations</b>	29%	30%
<b>Not comfortable until considerable reductions in risk</b>	16%	21%
<b>Not comfortable until the virus is eradicated</b>	7%	9%
<b>Not interested</b>	20%	11%

**Safety concerns**

2.9. Measures most frequently described by September '21 respondents as Very Important to making people feel comfortable attending indoor events:-

**Table 4: Safety concerns**

<b>Crowd management</b>	46%
<b>Hand sanitiser</b>	45%
<b>Only fully vaccinated or with -ve test to attend</b>	41%
<b>Use of face masks required</b>	40%
<b>Social distancing of &gt; 1m maintained</b>	37%

2.10. % of September respondents who Strongly Agree with substantial concerns over the behaviour of others in terms of return to attendance:-

**Table 5: Substantial concerns over the behaviour of others**

<b>Only fully vaccinated or with -ve test allowed to attend INDOORS</b>	35%
<b>Unsafe behaviour of others puts me off attending</b>	32%
<b>Only fully vaccinated or with -ve test allowed to attend OUTDOORS</b>	26%
<b>Boosters would make me feel much more comfortable</b>	28%
<b>Cultural organisations could do more to make visiting 'Covid safe'.</b>	19%

**Changing habits and localness**

2.11. Individuals who have worked from home during the pandemic differ from the wider population in that they are more likely to have:-

- **Attended arts and culture pre-Covid;**
- **Attended in person during Covid;**
- **Participated in creative activities during Covid;**

- **A keen interest in returning; and**
- **Already booked for future attendances.**

- 2.12. They are also likely to continue to work from home in future. 90% of individuals who worked from home during the pandemic expect to continue to do so 'all the time' or 'mostly' in the next 3 months; with 81% indicating they would feel the same with no threat of Covid.
- 2.13. This has implications for where these highly engaged audiences are likely to attend in the future, with more attendances where they live and work, rather than where they used to work. In addition, audiences in general intend to engage in all activities more locally.
- 2.14. A number of venues adopted streamed and/or hybrid performances as a means of generating income during periods of limitations on attendance and/or closure. Whilst there is evidence from survey work to suggest that in the post Covid-19 environment there will be an increase in subscriptions for streamed performances it is also the case that per capita income will be reduced in comparison to live performances.

**Future engagement with the performing arts set to decline**

- 2.15. Respondents' expected change in engagement by art form following Covid-19:-

**Table 6: Respondents' expected change**

Art form	Change
<b>Outdoor Historic Parks, Gardens and Heritage Places</b>	+12%
<b>Indoor Galleries Museums and Heritage Places</b>	+1%
<b>Live performance; including Music, Theatre and other places</b>	-3%
<b>Film at Cinemas and other places</b>	-8%

- 2.16. September '21 CPM respondents continued to express concerns over risks to their health and safety arising from returning to theatres; leading to a 3% reduction in the post Covid-19 future.
- 2.17. However, a total of 43% of survey respondents indicated reluctance of varying degrees to return to indoor performances in the shorter term, disaggregated as follows:
- **Not interested: 20%;**

- **Not comfortable until the virus is eradicated: 7%; and**
- **Not comfortable until significant reductions in risk: 16%.**

- 2.18. Audiences' return will be influenced by further factors, including the strength of established audiences' attachment/support for venues, the relative attraction of available performances, ticket prices and decreasing rates of new Covid-19 cases. These latter factors are likely to result in greater preparedness of audiences to return than indicated by the CPM survey returns.
- 2.19. Conversely, a continuation (currently in excess of 30,000 per day) or increase in the level of the new Covid-19 cases, hospitalisations and/or deaths is likely to reinforce the reluctance of audiences to return to indoor entertainments. Audience confidence will be further eroded by media reports of a possible further lockdown and/or restrictions to be implemented later this year to control the virus.
- 2.20. In summary, the September '21 CPM outcomes coupled with additional factors including rate of new infections and venue capacity reductions from socially distanced seating and other precautions and increased take up of streaming services which allow audiences to view performances in a number of venues from home suggest that, at least for the foreseeable future, audiences attending indoor entertainments venues will fall short of their pre Covid-19 levels.
- 2.21. Such shortfalls may not match the 43% level suggested by the CPM survey but it is reasonable to assume they will be significant and likely to continue through 2022 and, possibly, into 2023 and beyond, resulting in increased venue costs and a requirement for operating subsidies.



### 3. The Civic Hall's Current Position

- 3.1. The Civic Hall was constructed in 1973 and last refurbished in 2004. The building's internal layout is inefficient; including significant catering spaces which are no longer in use. It has high operational, energy and maintenance costs.
- 3.2. There is nothing to suggest that the Covid-19 related concerns and likely behaviours of the Civic Hall audience relative to a post Covid return to the venue will differ much, if at all, from the findings of the wider CPM study. The Civic Hall's re-opening position is further weakened by NBBC not achieving Central Government Covid Recovery funding to support it through the pandemic.
- 3.3. Up to the venue's closure in March 2020, the Civic Hall had delivered a mixed programme of Council Promoted Shows and Private Hires and Events; with the proportion of the latter increasing over time. Total ticket income from both categories of performance totalled £239,000 in 2019/2020, disaggregated as follows:-

**Table 7: Total ticket income from both categories of performance**

Performance type	Attendees	Income	Income/ attendee
Council Promoted	5,121	107,000	20.89
Private Hire/Event	24,318	132,000	5.43
<b>Total</b>	29,439	239,000	
<b>Average</b>			8.12

- 3.4. The total net revenue cost to NBBC of the operation of the Civic Hall for 2019/20 (including oncosts) amounted to £762,000 of which central charges totalled £404,600, including £278,200 capital charges. This cost is set against total attendance for both performance types of 29,439. This equates to an average subsidy of approximately £25.90 per attendee.
- 3.5. On re-opening, the Civic Hall can, at least initially, expect reduced audience levels arising from ongoing concerns over Covid-19 infection resulting in increased net revenue cost pressures for NBBC.
- 3.6. These cost pressures are likely to be increased by the Civic Hall having already been closed for an extended period. NBBC has agreed the use of the Civic Hall as a vaccination centre until 31 March 2022, following which it will be necessary to undertake a number of outstanding repair and health and safety works. These works, some of which are asbestos related so cannot be undertaken when the building is in use, are estimated to require 3 months for completion leading to 01 July 2022 as the earliest date for re-opening the Civic Hall. The estimated cost of these works is £60,000.00.

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## *Bedworth Civic Hall*

- 3.7. July and August are the quietest months of the year for indoor venues with consistently little interest from audiences and hirers. Consequently the 01 September 2022 would be a more appropriate date for the re-opening of the Civic Hall; although, by then, the venue will have been closed for 131 weeks against 122 weeks for a 01 July re-opening. An effective audience return and marketing strategy will need to be implemented in advance of re-opening to maximise ticket sales and reduce NBBC's financial exposure.
- 3.8. It is difficult to develop an accurate future P and L account for the operation of the Civic Hall given the uncertainties over future audience behaviour and differential inflation rates, especially energy costs. It is, however, unlikely that at least in the short term, attendances for Council Sponsored Shows will match the 2019/2020 level of 59% of total tickets available for sale for those shows. The comparable level of ticket sales are not available for Private Hires and Events.
- 3.9. Using the 2019/2020 revenue outturn as a starting point, the following are estimates developed in consultation with the Finance Business Partner for the Civic Hall of the annual net revenue costs of the venue, assuming it re-opens on 01 September 2022 and continues to operate on its current basis:-

**Table 8: Civic Hall of the annual net revenue costs of the venue**

Year		Net revenue cost
2019/2020	Outturn	762,040.00
2020/2021	Outturn	765,865.00
2021/2022	Forecast	778,000.00
2022/2023	Estimate	845,000.00
2023/2024	Estimate	876,000.00
2024/2025	Estimate	911,000.00

- 3.10. It is understood that NBBC has set targets for reductions in its net revenue budget when compared to the current financial year totalling £6M over the next three years, as follows:

**Table 9: NBBC targeted reductions**

2022/2023	£1.50 M
2023/2024	£2.20 M
2024/2025	£2.30 M

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# Nuneaton and Bedworth Borough Council

## **Bedworth Civic Hall**

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- 3.11. Although no specific net cost reduction has been identified for the Civic Hall, it is assumed that the venue will be expected to contribute towards the wider net revenue cost reduction.
- 3.12. The anticipated increases in the annual net revenue cost of the Civic Hall continuing to operate on its historical basis will not assist in meeting required savings targets.
- 3.13. A further factor for consideration if the venue re-opens is the condition of some major items of equipment which are advised by NBBC's Property Team to be beyond their economic life and for which spare parts will not be available in the event of their failure.
- 3.14. The estimated costs of these items are, for which there is no current approval or budget provision, are:

**Table 10: Estimated costs**

<b>Item</b>	<b>Estimated replacement cost</b>
<b>Replace control panel for air handling system</b>	60,000.00
<b>Replace 3 no. boilers</b>	200,000.00

- 3.15. There are also issues around the suitability of the Civic Hall building for NBBC's current requirements. As indicated above, it is inefficient in energy and staffing costs, has excessive catering space and some theatre-related aspects including dressing rooms, seating to the main auditorium, the stage facilities and location of the box office require attention to bring them up to current standards.
- 3.16. Whilst no schedule or itemised estimates have been developed for any of the above works, their total cost is estimated to amount to several hundred thousand pounds. Again, no approval or budget provision exists.

## 4. Social value

- 4.1. In addition to constituting a civic presence in Bedworth High Street, the Civic Hall when in operation delivers a number of social benefits:
- **It houses the Bedworth Arts Centre, thus facilitating the local Arts Charity to provide opportunities for engagement in the arts, both as consumers and creators**
  - **The staging of shows provides opportunities for volunteering in both back stage/technical and front of house activities;**
  - **Larger scale productions, usually the annual pantomime, provide opportunities for local children to perform on stage in a variety of roles;**
  - **It's cafeteria provides a relatively low cost catering facility thus providing a meeting place/social space for residents and specialist groups;**
  - **It provides a performance space for local voluntary sector and charitable groups, schools and local dance and theatrical schools. In 2019/2020 the venue hosted a 25 such activities, including use by NBBC for Elections and Consultation as part of the Planning process;**
  - **It provides a performance space for local dance schools and similar organisations.**
- 4.2. It has not been possible to develop a detailed breakdown of the above uses and their cost to NBBC. However, for 2019/2020 catering at the Civic Hall was subsidised by £9,600.00 whilst the bar generated a net surplus of £23,900.00 from pre-performance and interval sales.
- 4.3. The Civic Hall also provides a reason for individuals to visit Bedworth town centre: either to attend a performance or make enquiries about future performances. In addition to any spend on tickets for performances at the venue, benefits from spend outside the building will accrue to the local economy.
- 4.4. The Chair of the Theatres Trust has said that for venues outside of London the local economy benefits by up £11.00 per ticket purchased due to pre- and post-performance expenditure on shopping and food/beverages. The limited number of outlets in the High Street suggest £11.00 may be high with £7.00 being a more appropriate figure.
- 4.5. The total number of Civic Hall attendees in 2019/2020 totalled 29,439 which, at £11.00 per head equates to an estimated contribution of approximately £323,800, reducing to £206,000 at £7.00 per head, to the local economy over the year.
- 4.6. Although the average Civic Hall attendance rates are reasonable, suggesting a degree of support for the venue, this is not reflected in feedback to NBBC regarding its extended closure as no Formal Complaints from members of the public and/or Civic Hall patrons have been logged through NBBC's Complaints Portal.

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### *Bedworth Civic Hall*

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- 4.7. Similarly there have been a 'handful' of e-mails and telephone calls regarding the closure but relative to the number of shows rescheduled during the past 18 months these have been minimal. This suggests no pressure to re-open the Civic Hall for performances from patrons and/or residents. SLL understands there has been some representation from local groups about the annual pantomime and other such shows.
- 4.8. The agents for shows already booked or rescheduled into the Civic Hall during the first quarter of 2022 are being made aware of NBBC's decision to extend its use as a vaccination centre until 31 March 2022, with a view to rearranging those bookings. Up to 11 November 2021, three Formal Complaints had been made by 3 agents in response to the change.
- 4.9. It is understood that the local media are aware of the extended closure of the Civic Hall and will be carrying stories on the topic in the near future. It is not known at the time of writing this report, whether the media approach will be positive or negative to NBBC.

## 5. Competitor venues

5.1. An initial analysis of theatre provision within an approximate distance of 30 miles from the Civic Hall has identified 12 competitor venues:

**Table 11: Initial analysis of theatre provision**

Venue	Location
Belgrade Theatre	Coventry
HMV Empire	Coventry
Concordia Theatre	Hinckley
Royal Spa Theatre	Leamington Spa
Repertory Theatre	Birmingham
Hippodrome Theatre	Birmingham
Blue Orange Theatre	Birmingham
Crescent Theatre	Birmingham
Alexandra Theatre	Birmingham
Highbury Theatre	Sutton Coldfield
Sutton Arts Theatre	Sutton Coldfield
Sutton Coldfield Town Hall	Sutton Coldfield

- 5.2. These venues have auditoria of variable sizes from 816 (Birmingham Repertory Theatre) to 100 (Blue Orange Theatre). They are operated according to a variety of models: from strictly commercial to voluntary and/or charitable organisations. Individually and collectively they deliver a wide variety of shows and entertainments; including those historically delivered at the Civic Hall and at similar ticket price levels.
- 5.3. All the above venues have re-opened, have programmes in place for the remainder of this year and into at least the second quarter of 2022 and are actively selling tickets for those shows. A number have used the Covid-19 closure period to upgrade and improve their facilities and the customer experience.
- 5.4. As indicated above the re-opening of the Civic Hall will need a timely and effective audience return and marketing strategy to minimise the financial risk to NBBC.

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### *Bedworth Civic Hall*

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- 5.5. A common feature of the competitor venues is a well-designed and noticeable internet presence. In addition to creating positive images of the venues and their forthcoming shows these well designed and effective websites will have actively promoted both the re-opening and the selling of tickets. The Civic Hall website falls short of those of competitor venues and will require significant upgrading to promote and support any re-opening of the venue.
- 5.6. Further analysis of the competitor venues can be undertaken if required but the Civic Hall is at a clear disadvantage in the market place as identified competitors are all open and have appropriate programmes in place for, at least, the next 6 months.
- 5.7. If the Civic Hall re-opens on 01 September 2022 it will have been closed for, in most cases, 12 months longer than its competitors, during which past patrons may have migrated and developed new loyalties to alternative venues. In such circumstances it may not be possible to attract all or a proportion of those individuals back to the Civic Hall.

## 6. Review of NBBC identified Options for the Civic Hall

6.1. NBBC has identified four potential options for the future of the Civic Hall. These are:

**Table 12: Summary of NBBC Identified Options, and Costs**

Option	Description	Cost Implications
<b>Option 1- Retain but operate on a more commercial basis</b>	<p>To maintain the current operation of the Civic Hall focusing on the venue to make it commercially viable. The following is proposed to achieve this:</p> <ul style="list-style-type: none"> <li>• <b>Closure of the café on a permanent basis – reduce additional overhead and costs. Look at options of outsourcing this space as a café or as a community / hire space.</b></li> <li>• <b>Ensure that 95% of all shows are Private hires – reduced risk of ticket sales short-falls, capacity restrictions and increased control of bookings required per month to cover costs</b></li> <li>• <b>Focus on the pricing and structure of additional income generation through developing room hires, conferences and bar sales.</b></li> <li>• <b>Seasonal opening hours and days, to reduce building costs. Due to the new Booking systems box office staff can operate from the Town Hall and manage remotely.</b></li> </ul> <p>This will enable the Civic Hall to remain as a cultural venue within the Borough.</p> <p>The Civic Hall will be fundamental in the current production of the Cultural strategy to understand the Borough needs and how this may well help future decision making and the future needs of the Civic Hall and other arts and cultural building in the Borough.</p> <p>A strong cultural sector can contribute to welcoming, distinctive, and attractive places to visit. When Culture is done effectively it will contribute towards the revitalisation of communities.</p>	<p><b>Total Cost Option 1: £95,961.95 minimum</b></p> <p>Potentially the ability to offset these costs with rental income from the café space.</p>
<b>Option 2- Close the Civic Hall and demolish building</b>	<p>To close the Civic Hall, knocking down the facility for development would remove future Business Rates Retention (NNDR) or any running overhead costs for the venue in its current format. This would include any maintenance and upkeep costs.</p>	<p><b>Total Cost Option 2 £566,641.67 minimum plus pension costs of those made redundant</b></p>



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## Bedworth Civic Hall

Option	Description	Cost Implications
	<p>This however would remove the only Civic venue within the Borough and would mean council events such as polling counts and civic functions would need to find alternative locations possibly resulting in external costs for borough elections (spend pressure) and loss of income recovered from other elections held (previously an internal transfer of non-cashable costs within NBBC and proportional invoices to other bodies generating income). The annual ISU recharges that are budgeted from the Civic Hall are approximately £150K per year, by dropping the Civic Hall building these costs would need to be found in alternative budgets.</p>	<p><b>If staff are not made redundant in Dec 2021, they will require a further 12 week notice period at a cost of £38,395</b></p> <p><b>£150k per annum would also need to be move to alternative NBBC budgets.</b></p> <p><b>The above EXCLUDES the impact of any capital receipt from sale of the site.</b></p>
<b>Option 3 – Retain building but sell for alternative uses</b>	<p>In order to obtain a valuation of the Civic Hall we will require specialist surveyors from an external source at an estimated cost of £5,000 - £7,500.</p> <p>To sell the Civic Hall building would have the same financial and social impacts as Option 2. NBBC would also need to relocate the annual ISU recharges that are budgeted from the Civic Hall of approximately £150K per year in alternative budgets.</p> <p>Approval will be required if the valuation of the premises is required, this could lead to employee concerns and morale surrounding their awareness of these valuations taking place and questions being raised around the future of the Civic Hall, confirmation would need to be received surrounding the funding of these charges. There would also be potential media coverage that we would need to plan for.</p>	<p><b>Total Cost Option 3: £84,141.67 minimum</b></p> <p><b>If staff are not made redundant in Dec 2021, they will require a further 12 week notice period at a cost of £38,395</b></p> <p><b>£150k per annum would also need to be move to alternative NBBC budgets.</b></p> <p><b>The above EXCLUDES the impact of any capital receipt from sale of the building.</b></p>
<b>Option 4- Retain the building but externalise its management through a long term contract</b>	<p>To contract out the operation of the Civic Hall to an external organisation will enable the Civic Hall facility to remain as a Cultural venue for the Borough, it may reduce the current financial contribution provided by NBBC, but this would not be confirmed until some soft market testing is undertaken. It would also remove redundancy costs that would otherwise be incurred enabling staff to TUPE over to the new organisation. However, at this time and due to this uncertainty, it may not be prudent to look at a partner given lack of confidence in large numbers coming back to inside events. As part of any negotiation with an external partner there will be a request for capital development/investment and ensuring the building is fit for purpose. This may be with either partner and is for discussion, however any investment put in by an external partner will require them to secure their investment either by reducing or removing any pay back to NBBC or by seeking support.</p> <p>If this is the preferred option soft market testing can be undertaken to understand the types of contracts that are in the marketplace and to understand if there are organisations looking for venues of this type.</p>	<p><b>Total Cost Option 4: £51,750 minimum</b></p> <p><b>Additional maintenance costs e.g. boiler, air con unit etc</b></p> <p><b>£150k per annum would also need to be move to alternative NBBC budgets.</b></p> <p><b>TUPE implications – pension costs</b></p>

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- 6.2. **Option 1** above clearly carries the most risk for NBBC; it requires ongoing in-house management of a building and offer within an area still recovering from the impacts of Covid 19. Given that the Civic Hall has not yet re-opened whilst other local and similar facilities have, increases the level of risk. This option will require significant change: closure of the café, staff redundancy, re-focus of the Civic Hall offer and remit. It also depends on there being local demand for the various spaces available to hire in the building, on a consistent basis to generate income.
- 6.3. **Option 2** is the most expensive option at least up front. It will require resources to re-locate existing Civic requirements. It has potential to contribute to the physical re-development of Bedworth town centre through alternative use of the site, but until re-development plans are clear, it is unknown how this would impact the night-time economy. This option carries less operational risk to NBBC than Option 1, but has far-reaching implications for staff, location of civic requirements, and impacts on the local cultural groups and organisations.
- 6.4. **Option 3** also involves significant change in terms of staff, relocation of civic requirements, and impacts on local cultural groups and organisations. It retains the building but puts it to different use. This option is less risky operationally for NBBC than Option 1, but there is a market risk. Is there demand for such buildings, and what else could it be used for? Will the rental off set the up-front costs of repair and maintenance? How will an alternative use contribute to the town centre re-development? This option also begs the question as to whether it is the Civic Hall building that is important to the town, or whether it is the offer that is critical? Only Options 1 and 4 retain any semblance of influence over continued cultural activity in the town centre.
- 6.5. **Option 4** involves outsourcing the management of the Civic Hall. To achieve this maintenance works would be required to the building as set out above. Given the nature of the sector at the moment it would be prudent to undertake some Soft Market Testing prior to selecting this option to ascertain whether it is a realistic option and there is appetite to take on the existing building. If this proves positive there will need to be a procurement exercise undertaken; this will require a specification to be developed setting out what NBBC want to achieve from continuing to operate the Civic Hall. If this option is selected it is important to understand that whilst it has potential to reduce operational risk to NBBC, it will not necessarily make a financial return to the Council. This will be dependent on the extent of any investment by a contractor, and the ongoing sustainability of the operation. This option may however reduce NBBC's annual operating costs, although the upfront maintenance costs will need to be offset prior to this situation being achieved..
- 6.6. Alternative options to those described above could involve leasing the existing building instead of selling it, as per Option 3 (Option 5). This could reduce the risk to anyone taking on the building but clearly would not realise a capital receipt. Rental payments from a lessee to NBBC could, however, offset any costs of investment.
- 6.7. A further option (Option 6) could be to asset transfer the building to a third party; this would require similar up-front costs to Option 4. It may, or may not, be possible under such an arrangement to retain use of the building for the various civic roles/events it currently hosts. This could be mutually beneficial in terms of NBBC and civic space and the organisation to which the building is transferred, knowing they have some guaranteed income. This option would have costs similar to Option 4, plus the redundancy Costs.

- 6.8. Another alternative option (Option 7) could be to set up a Local Authority Trading Company (LATCo) to operate the Civic Hall. The structure of the company allows it to benefit from NNDR savings. The two main potential disadvantages of this structure are the fact the risk essentially remains with NBBC as it would be their company so the Council would need to underwrite any losses, and the fact that the Council retains all risk. A further consideration is the upfront costs of establishing a LATCo, which with legal, financial and consultancy advice could cost circa £100k+.

DRAFT

## 7. Summary Conclusions and Recommendations

### Summary of the NBBC and SLL Identified options

Table 13 summarises the above analysis:

Option	Factors to Consider								
	Upfront Capital Cost	Reduction in Revenue costs	Reduced Operational Risk	Community Support	Continuation of Cultural Provision	Capital Receipt	TUPE transfer	Job Losses	Timescale for Implementation
Option 1	Y	Unlikely	N	Likely	Y	N	N	Y	Short
Option 2	N	Y	Y	Unlikely	N	Y	N	Y	Short – Medium
Option 3	N	Y	Y	Unlikely	N	Y	N	Y	Short – Medium
Option 4	Y	Y	Y	Likely	Y	N	Y	Not initially	Medium
Option 5	N	Y	Y	Likely	N	Y	N	Y	Short
Option 6	Y	Y	Y	Likely	Possibly	N	Possibly	Possibly	Short – Medium
Option 7	Y	Y	N	Likely	Y	N	Y	Limited	Medium

#### Timescales:

Short – 1 year

Medium – 2-3 years

Long – 3 years+



7.1. It is clear from the above that although Option 1 facilitates continued use of the Civic Hall for cultural activity, it presents the highest risk to NBBC whilst Option 2 presents the highest cost with no continuation of cultural activity. Options 4 and 7 are likely to facilitate continued use of the Civic Hall for cultural activity but Option 4 is the only such option that also reduces operational risk to NBBC. Option 4 is also least likely to result in initial job losses, whereas Options 1,2,3, 5, 6 and 7 either do, or are likely to.

7.2. Both Options 1 and 4 would require up front capital investment in the Civic Hall.

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- 7.3. Faced with these choices NBBC need to decide what priority (ies) it is they want to achieve; is it continued use of the Civic Hall for cultural activity, is it that but with less risk, is it no risk at all or is it a financial return through a capital receipt or rental income?
- 7.4. A further risk factor to consider, specifically in relation to Option 1 is the slow recovery of the cultural attendance market, the age, condition and operating challenges of the Civic Hall, all of which would continue to be NBBC's responsibilities. Whilst the proposed changes to the Civic Hall would address some of the financial operating costs, a more commercial approach would literally need to be 'sold' at local level, as it may not be understood by those who have been the traditional users/hirers of the Civic Hall.
- 7.5. If the priority is to retain cultural use and provision in the town centre only Options 1, 4 and 7 can be considered. Of these Option 4 is the only one to reduce operational risk to the Council and have some potential to realise a financial return to NBBC. It will also reduce ongoing revenue costs. The issue is whether, in the current climate of Covid recovery it is realistic. This can only be determined through soft market testing.
- 7.6. If retaining cultural facilities in the town centre is not a priority, then Options 2,3 or 5 should be considered. Demolition of the building, or its sale are most likely to realise a financial return to NBBC of at least some description. However, on the basis that demolition of the existing building will cost circa £500k, retaining the building and using it for alternative purposes might be a better option. All of these option realise a risk reduction to NBBC.
- 7.7. We remain concerned about Option 1 given the slow recovery of the cultural market, and the fact that the Civic Hall has not been operating as a cultural venue for some considerable time now. Option 1 represents a high risk operationally and financially for NBBC.

### Recommendations

- 7.8. Given the number of options available to NBBC, we recommend it is firstly a priority to determine what NBBC wishes to achieve both from and through the Civic Hall this will inform the realistic options to be considered.
- 7.9. If NBBC wishes to retain cultural activity in the town centre and at the Civic Hall with reduced risk, we recommend Option 4 is progressed, subject to a positive outcome of soft market testing.
- 7.10. If retention of cultural activity in the town centre is not a priority, we recommend that the Council considers Options 3 or 5. Neither require upfront investment, but should reduce revenue cost to NBBC.

**Extract of Council Minute CL40 – 14<sup>th</sup> December 2022**

**CL40 Petition – Save our Civic Hall – Hold a Public Meeting, Listen to Residents & Stop Closure/Demolition**

A petition was received by Mr Sam Margrave in respect of the above. The petition had over 700 valid signatories and was therefore referred to full council for debate. The Petition made the following requests:

'Nuneaton and Bedworth Borough Council, Warwickshire County Council, Nuneaton and Bedworth Councillors and the local MP (Craig Tracey) to work to save the Civic Hall and to:

1. Scrap plans to Close or Demolish the Civic Hall.
2. Hold a Public meeting at the Civic Hall to hear residents' views (Chaired by the MP with Councillors in attendance to listen and answer questions).
3. For NBBC (possibly with a Citizens panel) to undertake a full consultation, and work, to set out a package to rescue the existing Civic Hall, to reduce costs, and to bring the venue back into use.
4. Ensure WCC and NBBC work together with the community to develop plans for wider regeneration of Bedworth Town Centre to bring more into the town and invest to make Bedworth and our Borough Better with a bold vision for the future, to level up, not level down our Towns without losing all the current venue provides.
5. Call on Civic Leaders to commit to make Bedworth the home for the Boroughs primary and premier conference and theatre activities in any future development.'

Mr S. Margrave presented his petition to the council.

**Councillor C. Golby moved the following motion:**

- a) this Council notes the receipt of the petition;
- b) further notes that there have been further decisions of cabinet and Council since the receipt of the petition, to condemn the lack of proper business planning and future proofing of the Civic Hall during the previous labour administration;
- c) to welcome the expressions of Interest process that has been launched to move the running of the Civic Hall from an unsustainable and expensive public subsidy to a third sector model; and
- d) to welcome under this conservative administration we finally have a vision for what Transforming Bedworth could look like in the future that allows us to begin the process of engaging further on the regeneration of Bedworth

**Councillor G. Moreton seconded the motion**

**Councillor K. Kondakor moved an amendment as follows:**

- a) this council notes the receipt of the petition;

b) convene a Bedworth Citizens Assembly chaired by the North Warwickshire MP early in the new year; and  
Delete c) and d)

**Councillor M. Wright seconded the amendment.**

**A recorded vote was taken on the amendment as follows:**

**FOR: Councillors K. Kondakor and M. Wright**

**AGAINST: Councillors R. Baxter – Payne, B. Beetham, D. Brown, C. Cape, J. Clarke, T. Cooper, S. Croft, L. Cvetkovic, L. Downs, K. Evans, C. Golby, M. Green, J. Gutteridge, B. Hammersley, S. Harbison, J. Hartshorn, S. Markham, G. Moreton, B. Pandher, J. Singh, R. Smith, M. Tromans, R. Tromans, and M. Walsh**

**ABSENCES: J. Sheppard and E. Shiers.**

**The amendment was lost.**

**Councillor J. Sheppard moved the following amendment:**

a) the Council notes the receipt of the petition; and  
b) the petition is accepted and the request of the signatories is agreed  
Delete c) and d)

**Councillor E. Shiers seconded the amendment.**

**A recorded vote was taken as follows.**

**FOR: Councillors J. Sheppard, K. Kondakor, E. Shiers, and M. Wright**

**AGAINST: Councillors R. Baxter – Payne, B. Beetham, D. Brown, C. Cape, J. Clarke, T. Cooper, S. Croft, L. Cvetkovic, L. Downs, K. Evans, C. Golby, M. Green, J. Gutteridge, B. Hammersley, S. Harbison, J. Hartshorn, S. Markham, G. Moreton, B. Pandher, J. Singh, R. Smith, M. Tromans, R. Tromans, and M. Walsh**

**ABSENCES: None**

**The amendment was lost.**

**A vote was taken on the substantive motion put forward by Councillor C. Golby.**

**The motion was carried.**

**RESOLVED that**

a) this Council notes the receipt of the petition;

- b) this Council notes that there have been further decisions of Cabinet and Council since the receipt of the petition, to condemn the lack of proper business planning and future proofing of the Civic Hall during the previous labour administration;
- c) to welcome the Expressions of Interest process that has been launched to move the running of the Civic Hall from an unsustainable and expensive public subsidy to a third sector model; and
- d) to welcome under this conservative administration, we finally have a vision for what Transforming Bedworth could look like in the future that allows us to begin the process of engaging further on the regeneration of Bedworth.