

Joint Executive (Cabinet) Committee

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| Title of Report: | The Apex Forward Plan | |
| Report No: | CAB/JT/18/009 | |
| Report to and date: | Joint Executive (Cabinet) Committee | 25 June 2018 |
| Portfolio holder: | Joanna Rayner SEBC Portfolio Holder for Leisure and Culture Tel: 07872456836 Email: joanna.rayner@stedsbc.gov.uk | |
| Lead officers: | Mark Walsh Assistant Director (Operations) Tel: 01284 757300 Email: mark.walsh@westsuffolk.gov.uk | |
| | Damien Parker Service Manager (Leisure and Cultural Services) Tel: 01284 757300 Email: damien.parker@westsuffolk.gov.uk | |
| Purpose of report: | The purpose of this report is twofold: (1) To seek Cabinet approval to adopt The Apex Forward Plan which has previously been considered by members of the former Apex Performance Panel; and (2) Set out a method by which the future performance of the venue will be monitored post the adoption of The Apex Forward Plan and cessation of The Apex Performance Panel. | |

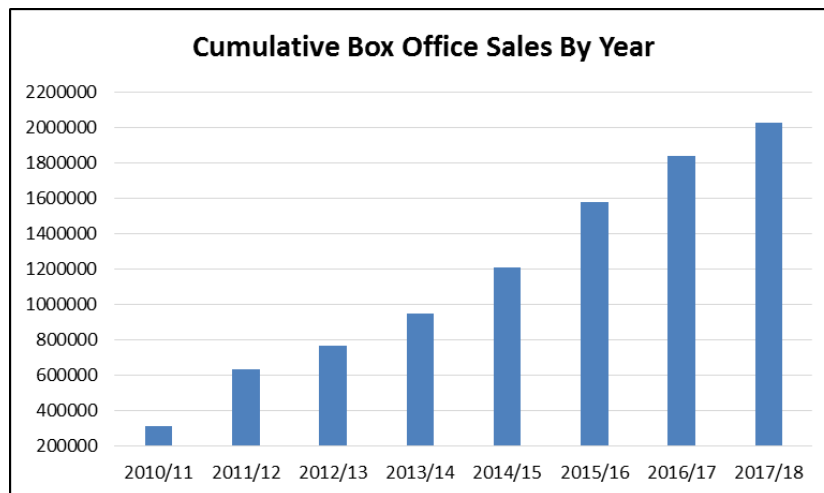
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| Recommendation: | It is <u>RECOMMENDED</u> that: | | |
| | <p>(1) The Apex Forward Plan, as contained in Appendix A to Report No: CAB/JT/18/009, be approved; and</p> <p>(2) the monitoring arrangements, as set out in Section 2 of Report No: CAB/JT/18/009, be approved.</p> | | |
| Key Decision: <i>(Check the appropriate box and delete all those that do not apply.)</i> | <p><i>Is this a Key Decision and, if so, under which definition?</i></p> <p>Yes, it is a Key Decision - <input type="checkbox"/></p> <p>No, it is not a Key Decision - <input checked="" type="checkbox"/></p> | | |
| <p><i>The decisions made as a result of this report will usually be published within 48 hours and cannot be actioned until five clear working days of the publication of the decision have elapsed. This item is included on the Decisions Plan.</i></p> | | | |
| Consultation: | <ul style="list-style-type: none"> The report was considered at The Apex Performance Panel meeting on 11 April 2018. | | |
| Alternative option(s): | <ul style="list-style-type: none"> Not adopt the plan or recommend amendments. | | |
| Implications: | | | |
| Are there any financial implications? <i>If yes, please give details</i> | <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>The report sets out the aims to further reduce the overall cost to the Council of the Apex.</p> | | |
| Are there any staffing implications? <i>If yes, please give details</i> | <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>The Council employs staff to manage the Apex but there are no changes set out in the plan.</p> | | |
| Are there any ICT implications? <i>If yes, please give details</i> | <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> | | |
| Are there any legal and/or policy implications? <i>If yes, please give details</i> | <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> | | |
| Are there any equality implications? <i>If yes, please give details</i> | <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> | | |
| Risk/opportunity assessment: | | <i>(potential hazards or opportunities affecting corporate, service or project objectives)</i> | |
| Risk area | Inherent level of risk (before controls) | Controls | Residual risk (after controls) |
| Costs of running the site exceeds expectations | Medium | The site has been running for eight years now, it's been well maintained and reserves have been set aside for | Low |

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| | | ongoing maintenance works. | |
| Revenue generated at the site fails to meet amounts assumed and budgeted | Medium | Financial modelling has been undertaken using both past performance and predicted population and audience growth. | Low |
| Ward(s) affected: | | All Wards (but located in Abbeygate) | |
| Background papers: <i>(all background papers are to be published on the website and a link included)</i> | | N/A | |
| Documents attached: | | Appendix A – The Apex Forward Plan Including the independent economic impact assessment (Appendix 1). Appendix 2 – The Apex Current Year Budget | |

1. Background

1.1 In 2001 St Edmundsbury BC first started drawing together and consulting on the development of the former Cattle Market site in Bury St Edmunds. In 2004, consultants drew up a proposal for an events venue.

1.2 The Apex first opened its doors to the local audience in October 2010 and since that time footfall and income has increased considerably:



1.3 The Apex is primarily a music venue and hosts a diverse range of entertainment designed to attract as broader audience as possible. The entertainment is categorised into the following genres:

- Classical Music
- Jazz
- Folk
- World
- Pop/Rock
- Tribute bands
- Comedy
- Evenings with Mini festivals

1.4 In addition to the above entertainment events, the Apex's two studios also host a mix of activities and meetings including Yoga, music, theatre and ballet, community meetings and consultations.

1.5 The other key areas of income for the Apex include:

- Providing a box office service for other venues and events in the region.
- Provision of a TIC service and sales of items
- Provision of a gallery space and income from commissions
- Food and drink sales.

- 1.6 The proposed aims and objectives and targets to be monitored are outlined in section 12 of the plan.
- 1.7 In early 2012 St Edmundsbury Borough Council tendered for the provision of catering and bar services at a number of its public buildings in Bury St Edmunds including:
- The Apex
 - The Athenaeum
 - Gardeners Rest (Kiosk in the Abbey Gardens)
 - Moyses Hall Museum
- 1.8 The Leisure and Cultural Services team propose to commission an independent assessment of how the borough council's catering contract(s) for sites in Bury St Edmunds might be procured and managed in the future to achieve its corporate objectives for the facilities.
- 1.9 At the time of tendering The Apex had not long since opened and there was no 'going concern' to put to the market. The contract was awarded to Sodexo Prestige with a start date of November 2012. The contract terminates in November 2019 although there is an option to extend until 2021 and this is an option the commissioned consultant should consider.
- 1.10 While the commission will take the current operations as a baseline, this is not a review of the performance of the current contractor (Sodexo Prestige) with whom the Borough Council enjoys a good working partnership. It is an assessment and scoping exercise so that we can understand how the Borough council's catering contracts can be best delivered in the future, when the current contract expires.

2. The Apex Performance Monitoring

- 2.1 Since the early days of its opening the managers of the Apex have met with a panel of members, chaired by the Portfolio Holder for Leisure and Culture, to review the performance of the Apex. In the recent past these meetings have been convened quarterly and have typically considered the following subject:
- Financial position
 - Programme Review
 - Marketing report
 - Catering and bars update
 - Review of compliments and complaints
- 2.2 Owing to the positive trajectory of the Apex's performance, in recent years, it is now proposed that its performance be streamlined and monitored as part of the quarterly Operations Balance Scorecard review at Performance and Audit Scrutiny Committee. In addition to the quarterly monitoring it is also proposed that a more detailed report be presented to the Overview

and Scrutiny Committee every three years. The frequency of reporting will bring the service area in line with that of Abbeycroft Leisure.

3. Key issues relating to recent performance

- 3.1 In financial year 2017-18 the Apex sold over 100,000 tickets. This is an increase of 72% since the end of the 2013/14 financial year. During this same period the venue attracted over 26,000 new customers – to put this into context, the Theatre Royal in Norwich, a 1,300 capacity venue serving Norfolk and attracting much bigger West End touring shows, attracts between 14,000 and 16,000 new customers a year.
- 3.2 Since the 2014/15 financial year box office sales income has increased from £1.2m to £2m.
- 3.3 The Apex has been a driver for cultural tourism - Ticket sales are also increasing from customers living outside our initial catchment area including, in Norwich, Cambridge, and Ipswich. This is despite the fact that these towns and cities being well provided for in terms of live entertainment, arts and culture already.
- 3.4 When The Apex first opened in 2010, its annual operating cost was £793,000. For 2018/19 the budget has been set at £570,780.
- 3.5 An economic impact study conducted earlier this year shows The Apex's gross economic impact is £11.4m sustaining 154.7 jobs. The net local economic impact of £6.6m, sustaining 84.7 jobs. A copy of the Economic Impact Evaluation of the Apex is included as an Appendix to The Apex Forward Plan.
- 3.6 Furthermore, within the next three years, the target will be to further reduce the operating cost down to £450,000.