

## **OUTSOURCED SERVICES SCRUTINY PANEL**

**2 November 2017**

Present: Councillor T Williams (Chair)  
Councillor S Cavinder (Vice-Chair)  
Councillors K Hastrick, P Kent, B Mauthoor and A Dychton

Also present: Councillor Sharpe (Portfolio Holder)  
Alvin Hargreaves, Operations Director HQ Theatres (for  
Minute numbers 12 to 15)  
Jo Ditch, Colosseum Venue Director HQ Theatres (for  
Minute numbers 12 to 15)  
Colin Breen, Retail Project Manager Town and Country  
Markets  
Esther Worboys, Sales and Marketing Manager Town and  
Country Markets

Officers: Committee and Scrutiny Support Officer (AG)  
Corporate, Leisure and Community Client Section Head  
Contract Monitoring Officer

### **12 Apologies for Absence/ Committee membership**

Apologies had been received from Councillor Dhindsa.

Councillor Dychton replaced Councillor Hofman.

### **13 Disclosures of interest**

There were no disclosures of interest.

### **14 Minutes**

The minutes of the meeting held on 25 September 2017 were submitted and signed.

### **15 Scrutiny of the HQ Theatres' contract - Watford Colosseum**

The panel received a report of the Head of Community and Environmental Services that discussed the outsourced contract with HQ Theatres for the Watford

Colosseum and included the Watford Colosseum Annual Report 2016/17 (at appendix one).

The Contract Monitoring Officer introduced the report and explained her role in monitoring the contract and how quarterly reports were forwarded to the portfolio holder. She advised the panel that Mr Hargreave and Ms Ditch would discuss the annual report in more detail for the information of members.

Mr Hargreave advised that the Watford Colosseum was in a healthy position; experiencing good growth and an increase in ticket sales. He outlined the positive financial position of the HQ Theatres company itself which ran a variety of different theatres; predominantly across the south east of England. It was the second largest operator in the UK. He discussed the management style of the organisation and how venues had the flexibility to develop their own businesses.

He emphasised the particular and unique aspects of the Watford Colosseum and how the venue would further develop over the next 12 months. He thanked Ms Ditch for her stewardship over the past year; when significant improvements had been made. He explained how the company would invest in technology to enhance the customer experience, and would have a pioneering approach in the use of social media. He concluded that the Watford Colosseum had been awarded 'venue of the year' across the company in 2016/17.

Ms Ditch commenced by explaining the monthly reporting procedure of the contract operation back to the council and how the business plan was developed; albeit this did not run co-terminus with the contract itself. There had been positive developments in the running of the venue in the last year with tangible results. She cited a number of examples including the BBC radio programme 'Friday Night is Music Night' being recorded at the venue.

Ms Ditch discussed the content of the Watford Colosseum Annual Report 2016/17 including the information contained in the introduction and executive summary, the programme balance and range (and enhancements thereto), community use of the venue and the key performance indicators (that were all very positive).

In response to requests from a previous panel meeting in 2016/17, she explained how four additional Asian ticketed productions had been added to the programme for 2017/18. In response to a question from the chair, she explained that the one Asian event held last year had been a Punjab experience and had been a hire of the theatre – as a result, the organisers had carried out their own marketing using established community links. This had proved a good starting point.

The Leisure and Community Section Head discussed the benefits of the linkage between all council contract managers through a peer challenge event. He

continued by explaining how his staff ensured a high value service was provided by HQ Theatres at the Colosseum and how this was monitored on a quarterly basis.

Ms Ditch went on to discuss HQ Theatres support for fund raising initiatives and outlined a number of the associated events held at the Colosseum. She advised members on the customer satisfaction data contained in the annual report and on the Colosseum building's health and safety issues. Mr Hargreave added that HQ Theatres was an industry specialist in these matters conducting full annual inspections (with interim quarterly reviews) and had a robust health and safety culture.

The Leisure and Community Section Head discussed the risk matrix outlined on page four of the report and the link with the contactors. He went on to discuss the social value of the contract and how monies were spent on Watford people and businesses. He concluded that the carbon footprint of the Colosseum building was being examined as it was an old structure and could be improved.

In response to questions from members, Mr Hargreaves and Ms Ditch,

- Outlined how the improvements to the theatre had been achieved in the past year - including better business planning and team performance.
- Advised how community hires were promoted during the quieter commercial periods; the average cost for a community hire being £1,200.
- Explained how steps were taken to mitigate against some of the parking issues at the venue. However, in general, the transportation infrastructure was good.
- Informed the panel how measures were taken and processes improved to keep the number of days when the venue was not booked to a minimum and to maximise capacity.
- Advised how security approaches at the Colosseum were varied dependent on the level of threat – making reference to the 'critical' level experienced in the UK earlier in the year.
- Agreed that consideration could be given to left-over food from the Colosseum being provided to food banks and to churches.
- Advised on some of the measures the council could consider to improve the attractiveness of Watford as an entertainment venue.

The Leisure and Community Section Head discussed the role of the Cultural Leaders Group and how strategy was being developed to encourage people to stay overnight in Watford, as opposed to remaining just during the day, to enjoy the range of entertainments offered.

In response to a question from Councillor Mauthoor, Ms Ditch advised that there was the possibility of the London Youth Choir being booked at the venue in the

future together with a major conductor.

In response to a further question from the councillor, the Leisure and Community Section Head explained how the ten year contract with HQ Theatres was structured and undertook to provide members with the associated financial information. Councillor Sharpe went on to explain the history of how the Colosseum had been managed by the council and outlined the unique cultural offer now provided by the new theatre – and beyond that of a commercial operator. Mr Hargreaves articulated the benefits of the contract with the council and of the value of partnership working that promoted retail and leisure through culture.

The Chair concluded that the annual report was very strong and congratulated the Colosseum for being venue of the year. He thanked Mr Hargreaves and Ms Ditch for their contribution to the panel.

RESOLVED that –

1. the progress of the contract be noted.
2. the action requested be undertaken.

16

## **Performance of New Watford Market**

The panel received a report of the Head of Community and Environmental Services. This provided a summary of the current performance of New Watford Market and set out future steps for further improvement.

The Property Development Manager introduced the report. She informed the panel that the new market formed part of the re-development of Charter Place. The market had been managed in house until 2014; when a specialist had been identified through open-tender to run the new environment. There were now fewer stalls but these were of better quality than had previously been the case. The market was now approaching a 100 percent occupancy rate by traders. She advised members that Mr Breen and Ms Worboys would give a presentation on the New Watford Market for the information of the panel.

Ms Worboys began by discussing how the market was promoted online – that included regular updates of the website (with approximately two thousand users a month) and updates on social media that was increasingly used by the traders.

In response to a question from Councillor Kent, Ms Worboys clarified that the Wellington Marketing Company (WMC) was the parent company of Town and Country Markets (TCM). And in a response to a question from the Chair, she confirmed that market events were linked to the wider town centre events – such

as 'The Big Beach'.

Ms Worboys continued by explaining how the market was animated with additional activity; such as food traders being encouraged to stay open late and additional promotions on Thursday to Saturday evenings. In response to a question from Councillor Hastrick, Ms Worboys explained that specific 'vintage market' themes were arranged in the container area of the complex where there were two vacant units – this was particularly relevant during the festive season.

Ms Worboys explained how the market was decorated with grass, plants, trees and wooden seating to create a relaxing environment during the summer and how a trailer advertisement had been aired during the Big Screen event. Mr Breen advised how the entrance to the market had been made more attractive.

Ms Worboys then went on to explain plans for Christmas, the greater use of 'A' frames, targeted promotions and measures to further improve footfall. In terms of operational improvements at the market, she advised that there would be enhancements to the gazebo design on the parade and improved communications with local businesses. There would also be the appointment of a new operations manager at WMC who had a strong facilities management background – plus an assistant manager to drive marketing, events, aesthetic standards and customer service.

In response to a question from the Chair, Mr Breen and Ms Worboys explained why the new market was a success compared to other locations. This due, in part, to proactively seeking traders and also in respect of particular offers – such as florists and bakers. The intention was to meet the needs of local demographics.

Ms Worboys discussed industry standards for trader occupancy rates at markets and how the New Watford Market would achieve a 97 percent rate during November – with only one vacant unit left. She went on to explain the letting strategy; where there were consistently high applications for food traders (greater than the market was designed for) and work was ongoing with the council to look at increasing the potential for these traders. A 'services area' was also being developed at the market around hair styling, a tattooist and health and beauty.

In response to a question from Councillor Dychton, Mr Breen and Ms Worboys explained that demand for 'fair trade' products was low and that costs were high. Consequently, they were not necessarily commercially viable.

Ms Worboys then discussed the various lengths of the trader's tenders at the market. In response to further questions from members she, Mr Breen and the Property Development Project Manager:

- Advised that shorter trader tenure could relate to the selling of a particular

product and to stock levels. An issue with a florist in the market was discussed and it was explained how steps were taken to increase tenure where possible.

- Clarified that TCM was paid a management fee by the council – the Property Development Project Manager undertook to provide details to members.
- Explained that there were standard opening times for traders – these to drive footfall. A trader could lose their licence if they broke the contract.
- Advised that there was no need for traders to share stalls at the market.
- Explained that the New Watford Market logo had been designed by an agency – the Property Development Project Manager undertook to provide the details to members.
- Explained how parking issues at an entrance to the market might be addressed as leases changed with occupants of various adjoining properties.
- Advised that it would be possible to benchmark the trader tenure periods with other markets. The mix of traders had benefited the new market and there was now a waiting list.
- Informed members that those traders with a tenure of over three years had previously formed part of the old market – there was a strong local following.
- Discussed how press releases were and could be utilised to promote market activities. For example, it would be a good idea to promote when the market reached one hundred percent trader occupancy.

The Chair thanked Mr Breen and Ms Worboys for their contributions.

RESOLVED –

1. that the report be noted.
2. the actions requested be undertaken.

Chair  
Outsourced Services Scrutiny Panel

The meeting started at 7.00 p.m.  
and finished at 8.55 p.m.

