

OUTSOURCED SERVICES SCRUTINY PANEL

12 December 2018

Present: Councillor S Cavinder (Chair)
Councillor M Hofman (Vice-Chair)
Councillors J Dhindsa, R Martins, B Mauthoor and G Saffery

Also present: Alvin Hargreaves, HQ Theatres Operations Director
Jo Ditch, Watford Colosseum Theatre Venue Director
Councillor Williams (Portfolio Holder for Client Services)

Officers: Head of Community and Environmental Services
Head of Corporate Strategy and communications
Head of Service Transformation
Leisure and Community Contract Monitoring Officer
Committee and Scrutiny Support Officer (AG)

19 Apologies for Absence/ Committee membership

Apologies were received from Councillor Hastrick.

20 Disclosures of interest

There were no disclosures of interest.

21 Minutes

The minutes of the meeting held on 8 November 2018 were submitted and signed.

22 End of Quarter 2 2018/19: Key Performance Indicator (KPI) Report

The panel received a report of the Head of Corporate Strategy and Communications. The report provided the results for the key performance indicators identified for Watford Borough Council's outsourced services for Quarter 2, 2018/19.

The Head of Corporate Strategy and Communications introduced the report. She referred members to page 3 of the document explaining that there were a total of 37 indicators contained within the report. She discussed the 'customer first'

indicators and explained the following in respect of the four indicators below target :

- Levels of detritus (indicator 10) – replacement sweepers had been brought in to operation that would make a real difference. An improvement was anticipated in quarter three.
- Levels of fly posting (indicator 12) – the target was extremely challenging and there was a consistent use of fly posting by a variety of businesses.
- Membership of Watford Leisure Centre (indicator 15) – a significant process of refurbishment was being undertaken.
- Number of ticketed performances at the Watford Colosseum - there was a need to focus on quality rather than quantity.

She then discussed the financial indicators and advised that the target for the 'collection of National Non-Domestic Rates' (indicator 25) would likely be met in quarter three.

The Head of Corporate Strategy and Communications discussed staff indicators, and explained that it was disappointing that the 'return to work interview carried out on time' target (indicator 31) had not been met. There was no apparent reason for this as all managers were aware of the target.

The Head of Service Transformation added that given the figures were represented in percentage terms (and that quarter two would be expected to have lower levels of sickness) the 13% failure to meet the target could relate to only two or three missed return to work interviews. Additionally, the return to work interviews were prioritised by managers for longer and more serious periods of sickness absence; so it was unlikely that the missed interviews corresponded to instances of sickness that would require a phased return or modifications to working practices.

Members felt that conducting return to work interviews was an important matter and that simply showing raw percentages did not indicate the full picture. The Head of Corporate Strategy and Communications undertook to find out why the target had not been met and to include absolute numbers in future KPI reports (in addition to the percentages).

The Head of Service Transformation discussed the ICT indicators (numbers 33 to 37). He explained that seeking improvement in performance was built in to the Amicus contract and that the council was now in a very different place from when the contract was originally tendered. The present indicators were somewhat out of date relative to the progress that had been made and they needed to be refreshed. He advised that the Council needed to start to measure service success rather than just measuring how well the service responded to

things going wrong; which was how the current indicator set operated. An example of this would be measuring network or key system uptime, which historically had not been satisfactory, but was now operating very successfully and stability was also good. He reassured the panel that Amicus was performing very well despite what the indicators may suggest.

The Head of Service Transformation continued by advising the panel that the 'tickets closed per team' target (indicator 36) had been aspirational when set within the Amicus contract. The fact that the quarter two performance was three percent below target was not of concern; as it was subject to issues being raised by users being appropriate for Amicus to resolve and was reliant on the documentation provided by the on-site team. He concluded by discussing how service levels for calls grading were being revised and how classifications were being changed to give a more accurate reflection of the performance of the service.

In response to questions by members, the Head of Corporate Strategy and Communications and the Head of Service Transformation:

- Reference indicator 3 (penalty charge notices issued); explained that the new contractor, appointed in April 2018, had made a significant difference with a more efficient enforcement regime. It was discussed how an increase in indicator 4 (tribunal appeals lost) would be more worrying - potentially indicating the overzealousness of staff.
- Advised that the Amicus contract was tendered for two years, with a two year extension provision which was exercised in June 2018. It would be right to re-tender at its conclusion in 2020 as the service had changed significantly. The ICT environment was now far more stable and the Council was in a much more positive place. Future developments were discussed, including the use of mobile data terminals and the cloud.

RESOLVED –

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

23

OSSP - HQT end of year report Dec 2018

The panel received a report from the Head of Community and Environmental Services, requesting that members review the End of Year 7 report of the Watford Colosseum contract. The Leisure and Community Contract Monitoring Officer introduced the report. She then invited Mr Hargreaves and Ms Ditch to deliver their presentation.

Mr Hargreaves began by explaining that the HQ Theatres company was the second largest venue operator in the UK. It managed ten contracts; mainly in the south east of England, with an eclectic group of venues. The most recent acquisition was the Churchill Theatre in Bromley – which was now profit making. He outlined the organisation’s management structure and how the leadership team provided strategic support to venues. Each venue was led by a director and all venues were relevant for their local area. The local management team was responsible for the manner in which the venue operated.

Mr Hargreaves went on to discuss how health and safety issues were managed across the company; including the development of an innovative portal available to all venues. He explained how health and safety training was managed centrally in the organisation. He discussed ticketing issues and how each venue had its own website for these purposes.

He emphasised the importance of customer service and how staff were trained in these matters under a ‘Four Pillar’ programme. He concluded by explaining how the company engaged in networking activities. For example, HQ Theatres was a member of the UK Theatre Group and was involved in a security partnership across the sector. In the future, the company would be looking to assist at other theatre locations.

Ms Ditch then gave the presentation. She provided an overview of the annual report – including how the Colosseum had been utilised during the past year. She went on to discuss social value and community impact initiatives, environmental and sustainability issues, future plans, benchmarking and improvement (and venue comparison), how the annual events programme was determined, pricing considerations, marketing strategy and effectiveness, and how the needs of audiences and the local community were met.

Members discussed the provision of community shows at the Colosseum and Ms Ditch clarified that these had included events involving local dance schools, Jewish celebration days and Bollywood events. She confirmed that the number of ethnic minority events had increased.

Members discussed an event held recently at the venue that had led to a demonstration taking place outside of the theatre. Ms Ditch explained the process for booking the performer and the steps taken to ensure a safe event. Mr Hargreaves explained that the company may have made a misjudgement on this occasion – the Chair added that it was apparent that the theatre did all that was reasonable but with hindsight it may have adopted a different approach.

The panel turned discussions to the number of dark days at the Colosseum and whether these could be made available to community groups. Mr Hargreaves

explained that a sustainable model had to be found and that some losses had been incurred. There was a need to have an effective programme narrative with the most appropriate events being held. It was not practicable to put on events with a small audience; but those with larger audiences would be supported.

Mr Hargreaves went on to clarify that dark days related to the auditorium and not the small rooms at the venue. Ms Ditch explained that on some dark days essential maintenance was conducted at the venue - Councillor Williams suggested that the performance indicators around this matter should show when this maintenance had occurred.

The Chair raised the issue of the number of health and safety complaints. Ms Ditch explained that these could relate to such matters as carpeting, bollards not fit for purpose, general housekeeping and Control of Substances Hazardous to Health and other legislative requirements.

Members discussed the provision of meals to patrons and whether these were prepared in partnership with local restaurants. Ms Ditch explained that meals were provided in-house and that customers had the choice to eat externally if they wished.

In response to a question about the number of people from Watford who used the Colosseum, Ms Ditch explained that 94% of events were attended by Watford residents and that 85% of employees at the theatre lived in the town. The larger events tended to attract people from a wider region. Ms Ditch undertook to provide the panel with information on the number of black and minority ethnic individuals employed at the theatre and of their job roles.

When discussing environmental and sustainability initiatives, members complemented Ms Ditch for the use of LED lighting in the foyer of the theatre.

Members discussed future plans and initiatives and whether the theatre would be engaging in the 'making Watford dementia friendly' Mayoral initiative. Ms Ditch and Mr Hargreaves explained that this could be on the agenda in the new year and that they were keen to create opportunities for people with mental health issues. In response to a further question from members, Ms Ditch explained how events were arranged to attract a young audience to the venue.

During the panel's discussions on future plans and initiatives, Mr Hargreaves advised that only recyclable plastic glasses were used inside the venue for customer's drinks.

Members inquired as to whether greater use could be made of the venue during the day. Ms Ditch explained that although the premises might appear closed,

activity would be ongoing in setting up the venue for the events – the works commencing at 8.00 a.m. each day. Events had provided the largest growth at the theatre. Furthermore, a number of day time conferences were held at the venue.

Members turned discussions to marketing issues. Ms Ditch explained that 65K people were on the venue's mailing list and this included people living outside of Watford. E-mailing was targeted dependent on the type of event. The theatre advertised in the Metro newspaper to attract people from north London and it advertised in local publications. Digital mediums were also utilised to attract customers.

The theatre held demographic information that was of use in terms of marketing; such as publication readership numbers. Significant use was made of social media - including Instagram, Facebook and Twitter. The theatre was able to determine how customers had selected an event they wished to attend; whether doing so on-line, by email or through paper advertising. Ms Ditch undertook to provide the panel with information on the number people who 'followed' the theatre on social media.

The panel discussed the needs of audiences and of the local community. Ms Ditch explained how advertising of mainstream events was carried out in ethnic minority communities and how she would be open to further suggestions that would assist in this regard.

Members asked what services needed to be improved upon. Mr Hargreaves advised how venues had the best reach in to local communities and how this approach was embedded in the company's strategy. The model of local leadership, coupled with support from the centre, worked very well; with venues having their own objectives. First class hospitality was important in the company's success with high quality food being provided. In the future, the elderly would become an even more important target audience. HQ Theatres would strive to be at the leading edge of events and would need to be on the 'A' list with promoters and work with a range of producers.

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

- Clarified that there was no key performance indicator for the use of local suppliers. Usage thereof was a matter for venues. Examples were given of when local suppliers were used at the Colosseum.
- Confirmed that the theatre was used for business conference events. These had grown in number over the last few years; due in part to business moving out of London. This aspect would be a focus moving forward.

Councillor Williams explaining that the Council had a successful working partnership with Ms Ditch and her team. Key performance indicators were being met and good progress had been made over the past few years – including shared profits being received. The Head of Community and Environmental Services echoed Councillor Williams’s comments.

RESOLVED –

that the report and presentation be noted.

that the actions requested be undertaken.

24 Exclusion of press and public

RESOLVED –

that, under Section 100A(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following item of business as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during consideration of the item there would be disclosure to them of exempt information as defined in Section 100(1) of the Act for the reasons stated on the agenda in terms of Schedule 12A.

25 OSSP - HQT end of year report Dec 2018 (Appendix 2)

The panel received Appendix 2 to the End of Year 7 report from HQ theatres that contained commercially sensitive information. Members discussed the appendix and Mr Hargreaves and Ms Ditch responded to questions and comments.

At the conclusion, the Chair thanked Mr Hargreaves and Ms Ditch for their contribution to the meeting.

RESOLVED –

that Appendix 2 to the report be noted.

**Chair
Outsourced Services Scrutiny Panel**

The meeting started at 7.00 p.m.
and finished at 9.00 p.m.

