GUILDFORD
BOROUGH

Tom Horwood
Joint Chief Executive
of Guildford and Waverley
Borough Councils

www.guildford.gov.uk

Contact:

James Dearling

01483 444141

18 February 2022

Dear Councillor,

Your attendance is requested at a meeting of the **OVERVIEW AND SCRUTINY COMMITTEE.** This meeting will be held remotely via MSTeams on **TUESDAY, 1 MARCH 2022** at **7.00 pm**.

Yours faithfully,

Tom Horwood
Joint Chief Executive

MEMBERS OF THE OVERVIEW AND SCRUTINY COMMITTEE

Chairman: Councillor Paul Spooner
Vice-Chairman: Councillor James Walsh

Councillor Chris Blow
Councillor Guida Esteves
Councillor Angela Goodwin
Councillor Jan Harwood
Councillor George Potter
Councillor Maddy Redpath
Councillor Tony Rooth
Councillor Will Salmon
Councillor Deborah Seabrook
Councillor Fiona White

Authorised Substitute Members

For the Overview and Scrutiny Committee, there is no limit on the number of substitute members for each political group on the Council.

QUORUM: 4

WEBCASTING NOTICE

This meeting will be recorded for live and/or subsequent broadcast on the Council's website in accordance with the Council's capacity in performing a task in the public interest and in line with the Openness of Local Government Bodies Regulations 2014. The whole of the meeting will be recorded, except where there are confidential or exempt items, and the footage will be on the website for six months.

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Guildford Borough Council
Millmead House, Millmead, Guildford, Surrey GU2 4BB

THE COUNCIL'S STRATEGIC FRAMEWORK (2021-25)

Our Vision:

A green, thriving town and villages where people have the homes they need, access to quality employment, with strong and safe communities that come together to support those needing help.

Our Mission:

A trusted, efficient, innovative, and transparent Council that listens and responds quickly to the needs of our community.

Our Values:

- We will put the interests of our community first.
- We will listen to the views of residents and be open and accountable in our decision-making.
- We will deliver excellent customer service.
- We will spend money carefully and deliver good value for money services.
- We will put the environment at the heart of our actions and decisions to deliver on our commitment to the climate change emergency.
- We will support the most vulnerable members of our community as we believe that every person matters.
- We will support our local economy.
- We will work constructively with other councils, partners, businesses, and communities to achieve the best outcomes for all.
- We will ensure that our councillors and staff uphold the highest standards of conduct.

Our strategic priorities:

<u>Homes and Jobs</u>

- Revive Guildford town centre to unlock its full potential
- Provide and facilitate housing that people can afford
- Create employment opportunities through regeneration
- Support high quality development of strategic sites
- Support our business community and attract new inward investment
- Maximise opportunities for digital infrastructure improvements and smart places technology

<u>Environment</u>

- Provide leadership in our own operations by reducing carbon emissions, energy consumption and waste
- Engage with residents and businesses to encourage them to act in more environmentally sustainable ways through their waste, travel, and energy choices
- Work with partners to make travel more sustainable and reduce congestion
- Make every effort to protect and enhance our biodiversity and natural environment.

<u>Community</u>

- Tackling inequality in our communities
- Work with communities to support those in need
- Support the unemployed back into the workplace and facilitate opportunities for residents to enhance their skills
- Prevent homelessness and rough-sleeping in the borough

A G E N D A

ITEM NO.

1 **APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS**

2 **LOCAL CODE OF CONDUCT AND DECLARATION OF DISCLOSABLE PECUNIARY INTERESTS**

In accordance with the local Code of Conduct, a councillor is required to disclose at the meeting any Disclosable Pecuniary Interest (DPI) that they may have in respect of any matter for consideration on this agenda. Any councillor with a DPI must not participate in any discussion or vote regarding that matter and they must withdraw from the meeting immediately before consideration of the matter.

If that DPI has not been registered, the councillor must notify the Monitoring Officer of the details of the DPI within 28 days of the date of the meeting.

Councillors are further invited to disclose any non-pecuniary interest which may be relevant to any matter on this agenda, in the interests of transparency, and to confirm that it will not affect their objectivity in relation to that matter.

3 **MINUTES** (Pages 5 - 12)

To confirm the minutes of the Committee meeting held on 18 January 2022.

4 **COVID-19 RESPONSE - UPDATE**

5 **GUILDFORD AND WAVERLEY COLLABORATION - UPDATE**

6 **QUESTION SESSION WITH LEAD COUNCILLOR FOR REGENERATION**

Councillor John Rigg's areas of responsibility include: Town Centre MasterPlan; Infrastructure; Major Projects; and Strategic Asset Management.

7 **QUESTION SESSION WITH LEAD COUNCILLOR FOR DEVELOPMENT MANAGEMENT**

Councillor Tom Hunt's areas of responsibility are Development Control and Enforcement.

8 **REVIEW OF THE ANNUAL REPORT AND MONITORING ARRANGEMENTS FOR THE OPERATION OF THE G LIVE CONTRACT 2020-2021** (Pages 13 - 44)

9 **OVERVIEW AND SCRUTINY WORK PROGRAMME** (Pages 45 - 54)

To agree the draft Overview and Scrutiny work programme.

Please contact us to request this document in an alternative format

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OVERVIEW AND SCRUTINY COMMITTEE

18 January 2022

* Councillor Paul Spooner (Chairman)
* Councillor James Walsh (Vice-Chairman)

Councillor Chris Blow	* Councillor Maddy Redpath
* Councillor Guida Esteves	* Councillor Tony Rooth
Councillor Graham Eyre	Councillor Will Salmon
* Councillor Angela Goodwin	* Councillor Deborah Seabrook
* Councillor George Potter	* Councillor Fiona White

*Present

Councillors Tim Anderson (Lead Councillor for Resources), Joss Bigmore (Leader of the Council), John Redpath (Lead Councillor for Economic Development), and James Steel (Lead Councillor for Environment) were also in attendance.

OS49 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

The Committee was advised of apologies for absence from Councillors Chris Blow and Will Salmon.

OS50 LOCAL CODE OF CONDUCT AND DECLARATION OF DISCLOSABLE PECUNIARY INTERESTS

There were no declarations of Disclosable Pecuniary Interests.

In relation to item 7, Review of the Implementation of Future Guildford, Councillor George Potter disclosed a non-pecuniary interest as an employee of CIVICA. He indicated that some software for Future Guildford had been provided by a division of CIVICA to which he had no connection and stated that the interest was non-pecuniary and would not affect his objectivity.

OS51 MINUTES

The minutes of the Overview and Scrutiny Committee meeting held on 9 November 2021 were agreed.

OS52 COVID-19 RESPONSE - UPDATE

The Leader of the Council introduced the item before the Director of Service Delivery gave a presentation on the current COVID-19 situation and the Council's response, beginning with an update on local cases.

The Director of Service Delivery advised the meeting that the COVID-19 infection rate in Surrey for the week ending 14 January was 858.9 per 100,000, lower than the national rate of 972.9 per 100,000. The meeting was informed that the South East rate was 865.7 per 100,000, while Guildford's rate was 741.6 per 100,000. The Director of Service Delivery added that Guildford's rate had recently decreased to 738.9 per 100,000. The Director of Service Delivery advised that in the previous week there had been 10,306 new cases in Surrey, of which 1,115 were in Guildford. The meeting was informed that as at 16 January there were 3,150 registered COVID-related deaths in Surrey, with 274 in Guildford.

The Director of Service Delivery updated the Committee on two key COVID-19 issues: vaccination and testing; and track and trace. The meeting was advised that although the

infection rate in Guildford was falling, the most recent rate in Guildford of 741.6 per 100,000 compared with 315.9 per 100,000 when the Committee last met in November 2021. The Director of Service Delivery confirmed that cases were associated mainly with schools and leisure and health facilities.

The Director of Service Delivery indicated that vaccination rates for Guildford were higher than for England and in line with the rates for Surrey and the South East. The Committee was advised that third vaccination levels for Guildford were 62 per cent, compared with a rate for England of 55 per cent. The Director of Service Delivery indicated that the Council continued to support testing in the Borough through regular mobile testing units at Sutherland Memorial Park and lateral flow testing being arranged for upcoming Thursdays on the Rotunda.

In response to a question from a Committee member about the impact of Covid on Council staff, the Director for Service Delivery stated that since November 2021 there had been 45 cases of Covid among staff. He indicated that many staff isolating due to Covid had continued to work from home.

The Chair thanked the Director for Service Delivery and the Senior Specialist Public Health for attending.

RESOLVED: That the Committee continue to receive updates on the response to COVID-19.

OS53 GUILDFORD AND WAVERLEY COLLABORATION UPDATE

The Leader of the Council informed the meeting of the formal appointment of Tom Horwood as Joint Chief Executive of Guildford and Waverley Borough Councils. In addition, the Leader advised the Committee that a joint working group had begun to design an Inter-Authority Agreement (IAA). He indicated that the first meeting of the working group had discussed finance and that the cross-party group would be meeting weekly for the next two months. The Leader of the Council stated that the Inter-Authority Agreement, alongside a more thorough risk-register, would be submitted to full Council.

The Joint Chief Executive of Guildford and Waverley Councils updated the Committee on the collaboration programme, including his appointment, the progression of governance arrangements through the formulation of the IAA, and the establishment of a shared joint management team. The meeting was informed that an independent consultant would be helping to design a new joint senior management structure. The Joint Chief Executive indicated that no formal HR processes would commence until the heads of terms of the IAA were agreed or near to agreement. In addition, the Committee was informed that through bilateral discussions officers had begun to identify collaboration opportunities and that these would be subject to a process of prioritisation by senior management.

The Joint Chief Executive indicated he would welcome invitations to meet Councillors in their own wards.

In response to a question from a Committee member, the Joint Chief Executive confirmed that the end point of collaboration between the two Councils would be determined by Councillors. He advised the meeting that the current mandate agreed by both Guildford and Waverley Borough Councils was to establish shared governance and a joint management team and bring forward business cases for service collaboration.

In reply to questions from members of the Committee, the Joint Chief Executive indicated that the creation of a shared senior management team for Guildford and Waverley Borough Councils was anticipated in months rather than years. In addition, he outlined to the meeting

how different provision of the same services presented potential future challenges and opportunities for both Councils.

The Chair thanked the Joint Chief Executive for attending and answering questions.

RESOLVED: That the Committee continue to receive updates on the collaboration between Guildford and Waverley Borough Councils.

OS54 LEAD COUNCILLOR QUESTION SESSION

The Chair introduced the Lead Councillor for Resources and reminded the meeting of Councillor Anderson's areas of responsibility: finance; commercial asset management; procurement; and communications.

The following information and responses were provided during the ensuing discussion:

- In reply to a question about the most difficult part of the Budget process, the Lead Councillor for Resources referred to the uncertainty over the future of local government funding and local authorities being given single year finance settlements by central government.

- In response to a question on his priorities for communications and for commercial asset management, the Lead Councillor for Resources advised the meeting that although communications had only been recently added to his executive portfolio he felt the Council's newsflow could be improved. With reference to commercial asset management, the Lead Councillor for Resources advised the Committee that the Council had a property acquisition fund of £50 million but there was a lack of suitable properties on the market. He indicated that a change in EPC (Energy Performance Certificates) regulations meant older properties came with cost and resource complications, while adjustments to the Public Works Loan Board prevented investment purely for income return. The Committee was advised that because of these issues the refurbishment, intensification, and re-development of existing stock was a priority, along with potential land assembly options.

- A member of the Committee questioned whether the Council's communications could be improved to ensure fuller information was provided to the public, particularly in relation to the Council's spending. In reply, the Lead Councillor for Resources outlined his past experience of communications in the private sector. With reference to the Council's recent investment of £24.5 million in social housing as an example, the Lead Councillor for Resources questioned the disclosure of information through Executive Advisory Boards and suggested the value in improved media and communications plans.

- With reference to the recent announcement by the Council of £24.5 million investment in social housing, the Lead Councillor for Resources was asked whether the evaluations for such repairs or refits were robust. He advised the meeting that the proposed investment of £24.5 million arose as a result of the initial findings of a full stock condition survey by independent surveyors. The Committee was informed that full details of the proposed works were included within the capital and investment strategy report to be considered by the Executive the following week.

- A member of the Committee asked if the Council had a specific budget for climate change and, if not, why not. The Lead Councillor for Resources stated that spending on climate change appeared fragmented. He advised the meeting that the gross budget for climate change was approximately £191,000 for 2021-22. The Lead

Councillor for Resources indicated that there were a number of specific energy efficiency projects within the Council's approved capital programme of £163,000, a further £768,000 within the provisional capital programme, and budgets for projects such as Guildford West railway station and the Sustainable Movement Corridor which would have an impact on climate change. The Committee was advised that some of the project work had been delayed due to vacant posts in the climate change team. In addition, the Lead Councillor for Resources referred to the £120,000 installation of solar panels on Farnham Road car park and the Council's Millmead offices. In conclusion, the Lead Councillor for Resources suggested that questions on the lack of a comprehensive budget for climate change should be directed to the Lead Councillor for Climate Change when she attended the Committee.

- The Lead Councillor for Resources was questioned on the Council's asset disposal policy, including its status, the communication of disposals, and the availability of a plan of the intended asset disposals. In response, the Lead Councillor for Resources advised the Committee that asset disposal was at the appraisal stage, that is to say, maximising the return from an asset or considering whether disposal would be a better option. The meeting was informed that a sub-programme of the Council's Savings Strategy aimed to save between £1 million and £1.5 million from asset disposal or increased income from operational assets, with any assets considered for disposal going to the Property Review Group for consideration and then reported through the Savings Strategy Programme. The Lead Councillor for Resources indicated that investment assets were reviewed regularly by surveyors with outcomes reported to the Property Review Group and the Investment Property Funds Management Group. He stated that the asset disposal process was at such an early stage that he was not able to give a timeframe for the provision of information to the Council.

- In response to a question on the potential impact on the Council's finances from section 106 agreements and monies, and the monitoring of compliance, the Lead Councillor for Resources suggested that topic fell within the remit of the Lead Councillor for Development Management. The Committee was informed that the Council's planning team monitor section 106 agreements and ensure monies are received and passed on to the spending department or organisation. The Lead Councillor for Resources advised the meeting that a section 106 monitoring report would be considered by the Corporate Governance and Standards Committee in March 2022. The Chair and a member of the Committee advised the meeting that after consideration of the initial report in March the Corporate Governance and Standards Committee would receive section 106 monitoring reports on a regular basis.

- In response to questions about difficulties with the software introduced by the Council for its budget monitoring, the Director for Resources advised the meeting that workarounds were being used to produce the required information for budget monitoring by the Corporate Governance and Standards Committee. She indicated that the Council was considering migrating to a newer budget monitoring module.

The Chair thanked the Lead Councillor for Resources for attending and answering questions from the Committee members.

OS55 REVIEW OF THE IMPLEMENTATION OF FUTURE GUILDFORD

The Leader of the Council introduced the item and suggested that analysis of the Future Guildford transformation programme was complicated due to the pandemic occurring within the implementation period. He suggested the difficulty of introducing culture change during

a period of remote working. With reference to the £6-8 million of savings produced by Future Guildford and the difficulties of the pandemic, the Leader of the Council indicated the complexity of assessing the transformation programme.

The Director of Resources advised the meeting that the report submitted to the Committee was intended as the post-implementation review of the core project and the final report on the implementation of the Future Guildford transformation programme. She summarised the aims of the programme, referred to the information attached as appendices to the report submitted to the Committee, and advised that Future Guildford had ended four months previously with the conclusion of the external consultants' contract.

The Director of Resources informed the Committee that aspects of organisational development and training needed to be held face-to-face, rather than remotely. She indicated that the findings of a recent KPMG internal audit on the governance of Future Guildford had been reported to the Corporate Governance and Standards Committee. In addition, the Director for Resources indicated to the Committee that a staff survey and customer engagement survey would not be held until operational changes were embedded and a post-pandemic, new normal had arrived.

During the ensuing discussion a number of points and clarifications were made:

- In reply to a question from a Committee member about identifying issues and concerns, the Director of Resources indicated that there were no plans to do a light-touch survey before holding the staff and customer engagement surveys later in the year.

- The Director for Service Delivery confirmed that although there was a focus on advising customers to use other channels to engage with the Council, face-to-face service at the Council's reception in Millmead remained an option for members of the public. In reply to further questions and suggestions, the Resources Services Case Manager indicated that improving the ease of use of the Council's telephone automation service could be reviewed further.

- In response to a question about significant and continuing cultural resistance to change from some Council staff, the Director of Resources referred to a fear of change and resultant negativity toward Future Guildford by Council staff. She indicated the benefits of addressing such resistance ahead the changes to working likely to come from the collaboration between Guildford and Waverley Borough Councils. The Director of Service Delivery indicated that cultural development work with staff had been delayed slightly by the pandemic.

[At this point in the meeting the Lead Councillor for Environment tendered an apology and left.]

- The Director of Service Delivery confirmed that the Resources Services Case Manager was progressing guidance on the digital and service support for Councillors.

- A member of the Committee asked for an indication of the timescale for reducing a reported backlog of 2,000 Council Tax cases. The Director of Resources advised the meeting of staff recruitment and capacity difficulties and indicated that the complexity of Council Tax cases was an issue in the backlog. She advised the meeting that the aim was to clear the backlog over the next month or two.

- The Director of Resources confirmed that Future Guildford had ended and implementation of outstanding systems and service changes and improvements was now to be regarded as business as usual. She suggested further reports could be provided to the Committee on specific services and issues, rather than further updates on the overall transformation programme.

- In reply to a query about how the Council would track the value delivery of the transformation programme, the Director of Resources informed the meeting that savings would be monitored through the Council's budget monitoring processes.

- The Government Digital Service Standard was outlined to the meeting.

- In response to a question relating to appendix 5 of the report submitted to the Committee, the Resources Services Case Manager offered to provide Committee members with regular performance updates on contacts to customer services.

- The Chair indicated that while Future Guildford had ended formally, there were a number of issues outstanding that might require a further update to the Committee. The Director of Resources and the Director of Service Delivery suggested updates might be provided to the Committee on specific services and issues, rather than on the overall transformation programme. The Chair indicated that some issues might be reviewed by the Corporate Governance and Standards Committee.

The Committee members agreed the merit in periodically considering the return on investment achieved from the Future Guildford transformation, and the value in scrutinising specific issues and services.

The Chair thanked the Director of Resources and the Director of Service Delivery for attending.

OS56 UPDATE ON GYPSY, ROMA AND TRAVELLER UNAUTHORISED ENCAMPMENTS AND A POTENTIAL TRANSIT SITE IN SURREY

The Leader of the Council introduced the item. He stated that the topic of unauthorised encampments was a controversial one in the Borough. The Leader of the Council indicated that the Council dealt with travellers humanely. He confirmed that further work remained in relation to the proposed transit site in Tandridge and a second transit site in the west of the county.

The Compliance Lead, Environmental and Regulatory Services, summarised the report submitted to the Committee. The meeting was advised of a fall in unauthorised encampments in 2021 due to travel restrictions during Covid lockdowns. The Compliance Lead, Environmental and Regulatory Services, indicated that the proposed site in Tandridge would be the first transit site in the county since the early 1990s and should significantly reduce the number of unauthorised encampments in the county. She advised the Committee that the single transit site would be insufficient to meet demand, particularly during the summer months. In addition, the Compliance Lead, Environmental and Regulatory Services, informed the meeting of ongoing legal challenges to the issuing of final injunctions against unnamed defendants.

A member of the Committee questioned whether there were plans for a system of transit sites around Surrey. In response, the Compliance Lead, Environmental and Regulatory Services, indicated that she was unsure of the longer-term plans for the county but could enquire further.

The Chair thanked the Compliance Lead, Environmental and Regulatory Services, for attending and indicated that Committee members would discuss scheduling a further update.

OS57 OVERVIEW AND SCRUTINY WORK PROGRAMME

The Chair introduced the item and reminded Committee members that the next work programme meeting of the chairmen and vice-chairmen of the Overview and Scrutiny Committee and the Executive Advisory Boards would be held the next day.

With reference to a closure at Dray Court, a member of the Committee proposed adding Older People's Services to the overview and scrutiny work programme. In response, the Chair stated that whether the issues were considered by the Committee or by an Executive Advisory Board would be discussed at the work programme meeting the following day.

The Senior Democratic Services Officer (Scrutiny) indicated that suggestions and proposals for work plan items could be put forward to the Chair, Vice-Chair, or himself at any time.

The Vice-Chair of the Affordable Housing task and finish group updated the Committee on the group's work and advised that the group was in its evidence gathering stage.

RESOLVED: That the overview and scrutiny work programme attached at Appendix 1 to the report submitted to the Committee be approved.

The meeting finished at 9.34 pm

Signed ..... Date .....

Chairman

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Overview and Scrutiny Committee Report

Ward(s) affected: n/a

Report of Director of Services Delivery

Author: Jonathan Sewell (Head of Culture, Heritage & Leisure Services)
Tel: 07890 592165

Email: jonathan.sewell@guildford.gov.uk

Lead Councillor responsible: James Steel

Tel: 07518 995615

Email: james.steel@guildford.gov.uk

Date: 1 March 2022

Review of the annual report and monitoring arrangements for the operation of the G Live contract 2020-2021

Executive Summary

This report provides a summarised overview of the performance of the contractor operating G Live during the tenth year in a ten-year contract term. The period covers 1 October 2020 to 30 September 2021; however, due to the COVID-19 pandemic, G Live was forced to close in March 2020 and could not reopen until 22 August 2021. This report therefore mainly focuses on the performance of G Live during the five weeks of operation and the effects arising from the pandemic.

The Council entered into a 10-year contract with HQ Theatres Guildford Limited (HQT) to operate and manage G Live on 12 August 2011 and the contract has now been extended for a further three years to 30 September 2024. In the contract agreement, HQT is required to optimise commercial and hospitality income in G Live as well as provide different genres of entertainment. HQT's annual report on the operation of G Live during 2020-21 can be found at Appendix 1.

The performance indicators for the previous five contract years are shown in section 4 of this report and in more detail on page 11 of the G Live annual report at Appendix 1. However, as the venue could only operate for five weeks it is not appropriate to compare this year's performance against the KPIs. The Leisure Client team believe HQ Theatres continue to operate the venue satisfactorily and within the criteria set out within the contract.

During the contract year HQ Theatres was acquired by Trafalgar Entertainment. The co-founders of Trafalgar Entertainment, Sir Howard Panter and Dame Rosemary Squire, previously built Ambassador Theatre Group (ATG) from scratch into the UK's leading theatre operator.

A sub-group of councillors volunteered to represent the Overview and Scrutiny Committee to consider the G Live annual report in detail. The minutes of the annual

report presentation that took place via Microsoft Teams on 16 December are included in Appendix 2.

The Council pays a management fee in monthly instalments for the operation of the venue that is fixed at £328,596 per annum for the ten-year life of the initial contract. The contract has been extended by three years at a revised management fee of £275,000 per annum, improving the council's financial position by £53,596 per annum. The Council supported HQ Theatres in accordance with the government guidance set out in PPN 02/20 in order to ensure the ongoing viability of the operator and that venue was fully prepared to reopen.

During its period of closure due to Covid restrictions, G Live was used as a venue to successfully deliver 175,000 vaccinations. Working in partnership with HQT, we also arranged for Willmott Dixon to undertake their remedial works to the building on the identified latent defects to minimise any impact on the customer.

Any net income that is generated over that break-even point is referred to as a surplus and is divided between the operator (80%) and the Council (20%). Unsurprisingly this year resulted in a significant loss of £196,518 to the operator (see Appendix 1). No surplus payment is therefore due from the operator.

The Scrutiny sub-group were pleased with the performance of the venue and the operator during this difficult period.

Suggested items for the Overview and Scrutiny Committee to consider

(1) Councillors may wish to comment on the performance of HQT in relation to the operation of G Live over the significantly reduced period, and their arrangements for the venue going forward.

Is the report (or part of it) exempt from publication? No

1. Purpose of Report

1.1 To provide a summarised overview of the performance of the contractor operating G Live for the contract year period 1 October 2020 to 30 September 2021, taking note that there were no staged public events or performances till 22 August 2021 due to the closure associated with the COVID-19 pandemic. This is the tenth year in a ten-year contract term.

2. Strategic Priorities

2.1 The provision of the services detailed within this report support the Corporate Plan values by:

- attracting visitors to the borough and making Guildford a more attractive place in which to live
- offering a range of employment opportunities and facilities that businesses need. The venue makes a significant contribution to the local economy
- providing an enhanced cultural and entertainment offer in an attractive, vibrant town.

3. Background of the contract

3.1 The Council entered into a 10-year G Live Operator Agreement with HQ Theatres Guildford Limited and QDOS Entertainment PLC (HQT) on 12 August 2011. This contract, which deals with the operation and management of G Live, has been extended for 3 years, until 30 September 2024.

3.2 The Council also granted a lease of the G Live premises to HQT for a period of 10 years at a peppercorn rent. This lease was also extended until 30 September 2024.

3.3 The venue consists of main concert space capacity of 1,031 people seated, 1,700 standing, and a second space seating for up to 100. In addition, there are hospitality and meeting rooms.

3.4 In the contract agreement, HQT is required to optimise commercial and hospitality income in G Live as well as provide different genres of entertainment. Key performance indicators set out what was thought to be the desired balance between the provision of: classical music, co-promotions, dance, rock, pop, folk, jazz and world concerts, comedy/spoken word, children's family entertainment, sport and others.

3.5 The original KPI targets prepared at the start of the contract were based on an unopen venue and without the benefit of recent information on the performance of a suitably equivalent venue in Guildford. These KPI targets have shown themselves to be of limited value compared to comparing performance against previous years. The performance indicators (which have been significantly affected this year as a result of COVID-19) are shown in section 4 of this report and in more detail at page 11 of the G Live annual report at Appendix 1.

3.6 The venue has over 10 contract years' history and is an established venue in the marketplace. The comparison against previous year's results is normally a good indicator of performance however this year, due to the venue only being able to operate for just over 5 weeks, a direct comparison is inappropriate.

3.7 G Live is reliant on touring product, so promoters will either hire the venue or enter into an agreement for a percentage share of the box office. Promoters will seek to share the risk (i.e., share the box office proceeds) where they believe there is a risk the production may not do as well as anticipated. As G Live has matured, more promoters have looked to hire the venue at a fixed cost. However, HQT do have concerns over the uncertainty the future holds, with audiences not feeling comfortable attending shows due to the risk of contracting the Covid-19 virus.

Overview of the existing monitoring arrangements

3.8 The contract is monitored by the Leisure Client Team. A summary of the 'usual' (i.e., pre-covid) formal monitoring arrangements are as follows:

- Monthly client monitoring meetings with the venue's Director using a structured agenda to discuss the operation and management of the venue.

- A quarterly client monitoring meeting attended by the venue's Director and HQT's Regional Director, the relevant Lead Councillor and the Director of Service Delivery using the same agenda as above. Scrutiny sub-group members are also invited to the mid-year (i.e., March/April quarterly meeting); however, this did not take place this year due to the COVID-19 pandemic.
- The annual report is presented to a separate meeting with the same attendees as the quarterly monitoring meeting plus the Scrutiny sub-group members.
- The venue's Facilities & Building Manager has monthly meetings with the Council's Asset & Properties Manager to discuss the technical aspects of the venue.

3.9 Minutes are prepared in respect of all issues discussed at these meetings. The formal monthly client monitoring meeting includes a report on the outcomes and, where appropriate, will discuss any outstanding issues. Officers consider that HQT are meeting their obligations under the contract.

3.10 During the unique circumstances brought on by COVID-19, the client team maintained regular contact with HQT throughout the closure to keep updated on HQT's building hibernation plans and the re-mobilisation plan and implementation.

4. Performance of the Contractor – Key Performance Indicators

KPI	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10	KPI	Variant	Notes
Main Hall Live programme No of shows	205	203	198	91	16	250	-234	Exc. get ins, rehearsals & non perf. events such as beer festivals
Main Hall Community Events	166	173	125	62	8	15	-7	Inc. Hillsong services on Sundays
Main Hall non performance events	49	47	67	19	7	-	7	Get ins, rehearsals & hospitality events
Total main hall event activity	420	423	390	172	31	265	-234	
Main hall attendance	230,527	246,492	258,022	136,185	16,760	161,257	-144,497	
Non-main hall hospitality events STUDIO	49	25	29	19	3	125 to 156*	-117	Studio only. * KPI tolerance 20% permissible
Other hospitality events	167	171	182	126	5			All other spaces
Education projects	212	275	263	142	0	100	-100	

KPI	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10	KPI	Variant	Notes
Main hall dark days	64	67	57	199	336	80	+256	
Customer service								90% KPI is based on rated good /very good
Show/event	99%	98%	99%	n/a	n/a	90%	n/a	
Service/staff	93%	93%	94%	n/a	n/a	90%	n/a	
Facilities	97%	95%	93%	n/a	n/a	90%	n/a	
Booking/info	91%	93%	92%	n/a	n/a	90%	n/a	
Catering/ hospitality	65%	66%	67%	n/a		90%	n/a	Main bar & pre-show cafe
Combined	89%	89%	89%	n/a	n/a	90%	n/a	

4.1 The table above shows the contractual key performance indicators from the operator agreement, covering the last five contract years. The performance for the full ten years can be found on page 11 of the Annual Report at Appendix 1.

4.2 HQT expressed thanks to the Council for their financial support and partnership working which has assisted G Live by providing stability during the pandemic and enabled them to prepare for the future.

4.3 The venue became a vaccination centre for the NHS for 6 months from January 2021 to July 2021, during which time 175,000 vaccinations were administered.

4.4 The builder of G Live, Willmott Dixon, has been working on site during the period of closure to correct various latent defects discovered within the structural insulation during a routine inspection. These works are now nearing completion, but HQT have confirmed they have not affected the normal operation of the venue.

4.5 During the contract year HQ Theatres was acquired by Trafalgar Entertainment. The co-founders of Trafalgar Entertainment, Sir Howard Panter and Dame Rosemary Squire, previously built Ambassador Theatre Group (ATG) from scratch into the UK's leading theatre operator. Becoming part of a larger group is viewed as providing exciting additional opportunities including potential increases in capital investment and access to in-house Trafalgar Entertainment productions.

5. Scrutiny sub-group monitoring process 2020-21

5.1 The sub-group of councillors who volunteered to represent the Overview and Scrutiny Committee (the "Scrutiny sub-group") to consider the G Live annual report in detail were invited to the annual report presentation by HQT. All councillors were offered training on the background detail of the contract by the Leisure Client team.

5.2 This year Cllr James Steel was joined by Cllr Nagaty and Cllr Cross from the sub-group, and also Cllr Hunt of the Executive. The remote presentation by the Venue Director, Derek Aldridge, covered the performance of the venue during what has been yet another unprecedented year.

5.3 The councillors considered the contents of the report and asked a number of questions covering a variety of topics. The minutes of this meeting are at Appendix 2. Some of the questions asked were regarding expanding the opportunities for the venue, the proposed investment projects, particularly in relation to the hospitality offer, and the impacts of Covid on the business both financially and operationally.

5.4 The Scrutiny sub-group recognised the impact that the pandemic has caused for the entertainment industry and the fact the venue could only open for just over 5 weeks during this contract period from 22 August to 30 September 2021. The councillors all congratulated HQT on their outstanding efforts during the pandemic to enable the venue to be used as a vaccination centre.

6. Financial Implications

6.1 All income and tariff receipts at G Live are the property of HQT (subject to the agreements with the promotors) i.e., HQT keep the income attributable to the venue from hires, bookings and ticket sales and secondary income (such as catering, refreshments, programmes, souvenirs etc.). The Council pays a management fee in monthly instalments for the operation of the venue that was fixed at £328,596 per annum for the ten-year life of the initial contract.

6.2 As a result of renegotiation for the three-year contract extension, this fee has changed from 01 October 2021 and during the three-year contract extension period, will now be £275,000 per annum. This improves the council's annual financial position by £53,596 per contract year. The three-year extension will hopefully allow the marketplace to recover from the effects of the pandemic to ensure the council receives the best possible offers for the operation of the venue in the future.

6.3 Any net income that is generated over that break-even point is referred to as a surplus and is divided between the operator (80%) and the Council (20%). Unsurprisingly, HQT have reported a deficit this year of £196,518 (see Appendix 1) as the venue was only able to operate for five weeks. Unfortunately, due to this year's circumstances, no surplus has been generated.

6.4 The Council made additional monthly support payments in accordance with the government guidance set out in PPN 02/20 to ensure the ongoing viability of the contractor. These monthly payments were in addition to the management fee and this funding ensured the ongoing viability of the operator and enabled the venue to be suitably prepared for customers to return.

7. Legal Implications

7.1 Section 3 of the Local Government Act 1999 requires that the Council as a best value authority to "make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness". Reviewing and where required monitoring the Council's contractual approach is an important way in which that obligation can be fulfilled.

7.2 Any formal changes to the current contractual arrangements will have to be agreed with HQT and varied by agreement.

7.3 As the Overview and Scrutiny Committee has no decision-making powers, any recommendations that may arise would need to be referred to the relevant decision-making body of the Council for a decision.

7.4 The supplier relief provided to HQT during the Covid 19 lockdown periods was in line with the government procurement policy note (PPN) 02/20 and the venue was unavailable to HQT whilst it was being used as a vaccine centre. The 3-year contract extension was granted via a contract modification under Regulation 72 of the Public Contracts Regulation 2015.

8. Human Resource Implications

8.1 There are no HR implications arising from this report.

9. Suggested items for Overview and Scrutiny to consider

- Councillors may wish to comment on the performance of HQT in relation to the operation of G Live over the reduced period, and their arrangements for the venue going forward.

10. Conclusion

10.1 The Scrutiny sub-group were all provided with the opportunity for suitable background information and briefing sessions and followed a robust process to review the annual report of the operator at G Live.

10.2 The pandemic has resulted in another unprecedented year for the venue with it only being able to fulfil its normal purpose for a little over 5 weeks. The limited period of operation made it pointless to undertake some of the normal monitoring activities or to compare with normal KPI arrangements. Unsurprisingly, the venue operated for the period at a deficit of £196,518. HQ Theatres continue to operate the venue satisfactorily and within the criteria set out within the contract.

10.3 G Live was used for six months of the year as a vaccination centre resulting in 175,000 vaccinations.

10.4 The 3-year extension of the contract improves the Council's financial position by £53,596 per annum. The period of extension will hopefully allow the marketplace to recover from the impacts of the pandemic before the operation of the venue is re-tendered.

10.5 Working in partnership with Willmott Dixon and HQ Theatres, the period of closure was utilised to facilitate the rectification of a number of latent defects without any impact on the customer or the normal operational use of the venue.

11. Background Papers

None.

12. Appendices

Appendix 1: G Live Annual Report 2020-21 (including operational financial summary)
Appendix 2: Minutes of Annual Report Presentation 16 December 2021

Agenda item number: 8
Appendix 1

ANNUAL REPORT 2020/2021

1 October 2020- 30 September 2021

1. Purpose of report
2. Executive Summary
3. Programme Balance and Range
4. Creative Learning
5. Food, Drink & Hospitality
6. The Operator Agreement and Key Performance Indicators
7. Impact of Covid-19 and reopening safely
8. Facilities and Health & Safety
9. Financial Performance

1. Purpose of report

This report is a summary of G Live's tenth full year of activity and sets out the venue's performance against the specific performance indicators in the Operator Agreement between HQ Theatres & Hospitality (HQT&H) and Guildford Borough Council (GBC).

The reporting period is 1 October 2020 to 30 September 2021, inclusive.

The basis of the Annual report is the performance, community and corporate activity as reported to GBC at the Monthly Service Review Meetings held since the commencement of the contract.

2. Executive Summary

With no hyperbole whatsoever, the tenth year of G Live has been the most extraordinary and tumultuous year.

At the start of this contract year, the venue had already been closed for five and half months due to the Covid-19 global pandemic and the Government guidance that large indoor events must not take place.

This closure of G Live for the purpose of public events remained for all but five weeks of the contract year.

Aside from a very small number of business-critical staff, the workforce of G Live largely remained on furlough leave, supported by the Job Retention Scheme until the summer of 2021.

HQT&H wish to acknowledge and thank GBC for the excellent partnership working that has underpinned the past year and enabled G Live to come through this period and prepare for the future.

This partnership was exhibited in a myriad of ways but most notably through:

- Supplier relief funding by GBC assisting with the huge financial challenges faced by the pandemic.

- The extremely quick and effective response to the need to set up a large-scale vaccination centre for Guildford and the surrounding areas.

- Utilising the time when the venue was not operating to engage contractors to address latent defects with the structural insulation under the building cladding.

- The extension of the current contract to provide both HQT&H and GBC the time to recover from the pandemic before considering the longer-term future of the venue

The contract year can be broken down into three sections:

October-December – building remained closed whilst performances continued to be rescheduled. A small team of employees ensured building was maintained and secure.

January-July – G Live became a vaccination centre run by Procare Health – a GP Federation of 19 GP practices in the Guildford & Waverley area. 175,000 vaccinations were administered during this time in a monumental effort involving NHS staff, volunteers and G Live staff to ensure G Live was opened safely from 7am-9pm every day for six months.

August-September – G Live reopened as a venue and welcomed audiences back for the first time since March 2020.

The challenges of re-opening have been many and varied and show no sign of abating. From recruitment of staff, integrating and adapting Covid reduction measures into the operation and re-scheduling 177 performances (several on multiple occasions).

Rescheduling in numbers
177 performances rescheduled – most multiple times
Over 60,000 tickets rescheduled
81 performances had to be cancelled
£267,000 of G Live vouchers issued for future use at venue

3.Programme Balance and Range

Main Hall Activity

Due to the pandemic and the use of G Live as a vaccination centre, performances only resumed in late August 2021

The activity in the main hall is illustrated in the table below. The Operator Agreement's indicative number of performances in each category is a benchmark against which to measure the weight of G Live's programme.

Genre	**GBC Target**	**Actual**	**Attendances**	**% of GBC target**
Children/Family	31	2	951	6%
Classical Music	18			0%
Comedy/Spoken Word	45	9	8,191	2%
Dance/Musicals	42			0%
GPO	4			0%
Other	6	1	421	2%
Rock/Pop Standing	14			0%
Rock/Pop/Jazz/World	84	4	3,294	5%
Sport	6			0%
Community	15	8	3,697	53%
Sub-total	**265**	**24**	**16,554**	**12%**
Get-in/get-out/Prod/Rehearsal		1		
Internal Events		5		
Rehearsals		0		
Sub-total		**6**		
Conference		0		
Dining/Banquet		0		
Exhibition		0		
Hospitality Other		1	206	
Sub-total		**1**	**206**	
TOTAL	**265**	**31**	**16,760**	**12%**
Dark days	134			
Vaccinating days	202			

Although the numbers will remain a painful reminder of the damage wrought upon the events industry by the pandemic, it is a source of huge pride that in just five weeks of the contract year, almost 17,000 people attended events at G Live.

The re-opening performances in August were two sell-out shows by the popular comedian **Sarah Millican** and it was a very emotional night for staff and customers alike as the lights went up on stage. The opening weekend was completed by a family show, **Fireman Sam**, and a very apt performance by NHS doctor-turned-comedian and author **Adam Kay**.

September then saw further sell-out spoken-word performances by **Ben Fogle, Jimmy Carr, Alex Horne** and **Fascinating Aida**.

Music was also heard again with shows by **The Illegal Eagles** and **Rumours of Fleetwood Mac** amongst others.

The venue was delighted to welcome back community events that included **Hillsong Church** and an audience with **The Archbishop of Canterbury** (organised by the Diocese of Guildford).

Beyond this contract year it is particularly heartening to see so many community groups and local schools planning return to hold events at G Live.

G Live remains totally committed to hosting as many different events as possible and therefore welcoming as many different people from Guildford and the surrounding areas.

Bellerby Studio and Reception Rooms Activity

The combination of uncertainty of when G Live would be opening, and the fact the confirmed date was in the summer, meant that it was inevitable that the return of smaller-scale activity would not be immediate.

It is expected that, as time progresses, the function rooms will once again become hives of activity with events of all types – conferences, parties, training days, shows and meetings all finding a space at G Live.

The 2020-21 contract year activity is shown below:

Categories	**Studio**	**Reception**	**Combined**
Childrens/Family			
Classical Music			
Comedy/Spoken Word	5		5
Community			
Dance			
Education			
Get-in/Get-out/Prod/Rehearsals	5		5
Internal Events		4	4
Music other	1		1
Others			
Sport			
Studio Theatre			
Teen Show			
Sub-total	**11**	**4**	**15**
Conference		3	3
Dining/Banquet	1	2	3
Exhibition			
Hospitality Other	2		2
Sub-total	**3**	**5**	**8**
TOTAL	**14**	**9**	**23**

For comparison, in the 2018-19, the last full year of activity there were **1,111** events in these rooms.

4. Creative Learning

One of the most devastating aspects of the enforced closure of the venue was the fact that our creative learning programme had to pause and the myriad of activities undertaken each year could not take place.

Throughout the contract year we kept in contact with the schools, charities and community groups we would normally be working with and, although not in the contract year covered by this report, it is wonderful that projects have resumed over the Autumn with many of them. This included a week of holiday workshops through the October half-term break and the return of the Halow Group choir.

A range of new Creative Learning activities is being launched in 2022 aimed at both young people and adults and we will be resuming our partnership work with local schools.

These new activities include a playwriting course, drama classes for young people with special educational needs and a Summer Youth Project that will lead to performances of a musical.

Finally, two years after it should have taken place, we will also be able to host the inaugural Rooted Mental Health & Wellbeing Festival in 2022.

5. Food, Drink and Hospitality

Retail

The kitchen and hospitality teams returned to work in July 2021 to prepare for the re-opening of G Live.

As part of the Covid 'See It Safely' actions put in place, G Live has increased the prominence of our promotion of pre-ordering drinks to avoid queues at the bar.

Audience members have the option of collecting their pre-ordered drinks from designated places in the foyer or having drinks delivered to them in their seats. The latter option has been hugely welcomed by audience members, many of whom would have been reluctant to go to foyers during intervals at present, and the number of 'delivery to seat' orders has increased by 294% compared to the same period in 2019!

The Mezzanine Restaurant has been open for pre-show dining since August and has proved very popular with customers welcoming the fact it provides them with a private space to return to in the interval where they can avoid crowded foyers.

HQT&H are pleased to have invested in new furniture for the Mezzanine Restaurant. Not only has this improved the look of the dining space but it has increased the capacity of furniture with the plan that in the future we could expand the number of potential covers. To achieve this growth a small kitchen facility would need to be added to the mezzanine level and in 2022 a proposal for this will be put to GBC with a view to accessing the Sinking Fund for this as an enhancement to the venue.

The opening period has seen challenges in regard to the supply chain but we have successfully worked with suppliers and other venues in the group to ensure sufficient stock is at the venue.

G Live is now cashless with card payments only across all sales points. This has been a welcome Covid-safety point but also created greater efficiency across the operation.

Events

Many event organisers had moved to other spaces, or online, during the time G Live was closed (and during the time we were a vaccination centre).

However, the Autumn has seen a gradual return of hospitality events to G Live. This has been a mix of hires of the various spaces for small conferences, training sessions and meetings.

G Live has also held our own ticketed dining and hospitality events – including a monthly quiz night, comedy night and music-themed events – and these have proved extremely popular.

2022 and beyond already has many bookings for regular large events such as ACM graduation ceremonies and University of Surrey balls alongside black-tie banquets including Surrey Property Awards.

Customer Service

The routine monitoring of customer service standards including post-event surveys, monthly mystery visitor reports and monitoring of social media review sites will begin again in December 2021.

6.The Operator Agreement and Key Performance Indicators

This table summarises G Live activity the indicative targets set in the Operator Agreement. It is a stark illustration of the effect of the pandemic on the venue

YEAR	1	2	3	4	5	6	7	8	9	10	KPI	Variance
Live Shows	180	188	193	164	169	205	203	198	91	16	250	-234
Community Events	60	41	40	92	136	166	173	125	62	8	15	-7
Non-performance events	48	47	47	63	51	49	47	67	19	7	0	7
Total Events	288	276	280	319	356	420	423	390	172	31	265	-234
Attendance	130,574	136,021	139,199	177,079	198,900	230,527	246,492	258,022	136,185	16,760	161,257	-144,497
Hospitality events in STUDIO	50	35	30	27	40	49	25	29	19	3	125	-117
Hospitality events in OTHER SPACES	97	66	105	59	128	167	171	182	126	5		
Education projects	218	85	215	193	230	212	275	263	142	0	100	-100
Main Hall Dark Days	114	115	116	91	85	64	67	57	199	336	80	+256
Customer service - % scoring good or very good												
Show/Event	n/a	92	97	98	98	99	98	99	n/a	n/a	90	
Service/Staff	n/a	92	92	93	95	93	93	94	n/a	n/a	90	
Facilities	n/a	95	94	94	94	97	95	93	n/a	n/a	90	
Booking	n/a	89	90	92	91	91	93	92	n/a	n/a	90	
Catering	n/a	72	75	64	66	65	66	67	n/a	n/a	90	
Combined	n/a	88	90	88	89	89	89	89	n/a	n/a	90	

Notes -

The above table shows the stark impact of the pandemic and the enforced closure of G Live for 15 months.

The first eight years of the contract saw continuous and consistent growth of attendances and the number of events.

Even in Year 9 – when G Live was closed halfway through the contract year – the overall number of attenders exceeded that of the whole of Year 1.

The number of dark days shown in Year 10 – 336 – includes all days when shows and events did not take place. There were actually only 134 days when the building was not open at all. For 202 days G Live was open as a vaccination centre.

The annual customer service survey that normally takes place halfway through each contract year has not happened during the closure period but will be reinstated as soon as possible.

7. Impact of Covid-19 and Reopening Safely

Last years annual report detailed the steps taken by HQT&H in order to safeguard the venue and to deal with the first six months of the pandemic.

Once again, HQT&H would like to thank GBC for their support and understanding during this unprecedented disruption.

During the closure, HQT&H assessed every aspect of our operating model both from the aspect of Covid safety and to achieve greater efficiencies where possible.

Furthermore, halfway through this contract year, HQT&H was acquired by Trafalgar Entertainment (TE), a premium international live entertainment business, co-founded in 2017 by Sir Howard Panter and Dame Rosemary Squire. Prior to TE, Sir Howard and Dame Rosemary built Ambassador Theatre Group from scratch into the UK's leading theatre operator.

Becoming part of TE is an exciting development for HQT&H and brings opportunities of being part of a larger group including potential increases in capital investment and access to in-house TE productions.

The following is a summary of some of the changes at G Live introduced during the closure and in preparation for the re-opening:

- E-tickets – all tickets are now issued as e-tickets with a scannable barcode. This reduces the need to print tickets and reduces contact to help prevent the risk of transmission of Covid-19

- Ticketing call centre – HQT&H have introduced a central call centre to handle the telephone sales for all of its venues. This shared facility is ensuring a consistency of service and messaging that is critical with Covid-19 rules/guidance changing regularly. It is worth noting that even before the pandemic, less then 20% of transactions at G Live took place by phone. This has reduced much further still but there will always be a need for a telephone service. The availability of in-person bookings is now only available two hours prior to an event.

- Reduced daytime opening – G Live reopened in August and initially was open during the day with a café operation. However, this proved not to be feasible to continue with little or no footfall each day coming into the

venue. Prior to the pandemic, the main contributor to any daytime business was daytime events taking place at G Live and these have largely not returned. Therefore currently the venue opens when required during the day and always 2 hours before any event starts. This will be reviewed regularly but it has been extremely valuable for the returning workforce to be able to concentrate on the core business and for the avoidance of a financial loss incurred from the café operation.

- Refunds/exchanges for customers who cannot attend – G Live continues to take a pragmatic and reasonable approach to customers who cannot attend, either due to contracting Covid, awaiting PCR test results or because the event has been rescheduled.

- NHS check-in – G Live displays the QR codes to allow people to check-in when they arrive and therefore assist Test and Trace procedures when required.

- Proof of vaccination/negative tests – G Live has assessed the risk of each event since reopening to determine whether proof of vaccination or negative test result are required for the public. All staff/performers and backstage crew are required to take lateral flow tests before travelling to the venue.

- Face coverings – G Live has encouraged the wearing of face coverings by the public (and mandated it for staff) unless medically exempt.

- Hand washing – sanitiser stations are located throughout the venue and signage reminds the public and staff to make use of them frequently

- One way systems/social distancing – there is a one-way system in operation on the main staircase in the foyers to minimise face-to-face contact. The public are encouraged to avoid queues by pre-ordering refreshments which can also be delivered directly to their seats

- Additional cleaning – staff are undertaking additional cleaning of the high touchpoints (eg. handrails, door handles etc) after the interval of performances.

- Ventilation – the air handling system at G Live is continuously drawing fresh air into the venue and external doors and windows are being kept open when the foyer is in use to allow fresh air to circulate.

- Contactless payments – all purchases and be made by card and cash payments are no longer being accepted.

- Cloakroom – for the majority of the events at G Live the cloakroom has remained closed to avoid the build-up of queues and the potential for increased transmission of the virus.

- Staff training – as each staff member returned to G Live they have undertaken Covid-awareness training and safety protocols put in place. These have included the requirement for daily lateral flow testing, face coverings when working in close proximity to others and increased restrictions on access to backstage to ensure only essential staff mix with performers and visiting companies.

At the time of writing the report, further restrictions are being implemented by UK government. G Live is ready to respond quickly to these and communicate any changes to the public.

8. Facilities and Health & Safety

Throughout the closure period G Live has ensured all necessary building maintenance and safety testing have continued to be undertaken.

The facilities team worked extremely quickly to ensure the venue could become a vaccination centre in a very short time.

Throughout July and August a large amount of work was undertaken to reinstate and test all stage equipment and to retrain all technical staff in its use.

Routine Health & Safety audits have been reinstated with G Live receiving very positive comments over the management of procedures and risk assessments in the building.

The seminar rooms have been redecorated prior to reopening.

New restaurant and seminar room furniture is in place.

New screens have been installed in sales positions to increase awareness of menus and Covid-procedures.

The venue team have worked closely with GBC and Willmott Dixon to provide access to the contractors repairing and re-installing insulation under the cladding around all aspects of the venue. This work and the scaffolding associated with it has provided a challenge to the smooth running of both the vaccination centre and the re-opened G Live but the building has remained open and accessible when required.

Future projects that HQT&H would like to undertake include:

- The creation of a second kitchen close to the Mezzanine restaurant
- The redecoration and expansion of the Mezzanine restaurant
- Installation of handrails into the Circle of the auditorium
- Improvements to interior signage to aid the customer journey through the venue.

9. Financial Performance

Following 8 continuous years of overall profit at G Live, it is with sadness but not surprise, that the report for Year 10 shows a large deficit of £196k. This loss is minimised by the Supplier Relief funding received from GBC for both this year and part of Year 9. HQT&H would like to once again place on record our gratitude for this support which has provided the venue with some stability during the closure.

Financial Results for each Contract Year

	Attendance	Overall profit	Profit share	Net subsidy	Subsidy per attender	Subsidy per Population
Year 1	130,574	£0	£0	£328,595	£2.52	£2.22
Year 2	136,021	£34,235	£6,847	£321,748	£2.37	£2.18
Year 3	139,199	£138,906	£27,781	£300,815	£2.16	£2.03
Year 4	177,079	£173,021	£34,604	£293,992	£1.66	£1.99
Year 5	198,900	£177,121	£35,424	£293,172	£1.47	£1.98
Year 6	230,527	£228,999	£45,800	£282,796	£1.23	£1.91
Year 7	246,492	£315,440	£63,088	£265,508	£1.08	£1.80
Year 8	258,022	£350,092	£70,018	£258,577	£1.00	£1.75
Year 9	136,185	£298,432	£59,686	£268,909	£1.97	£1.82
Year 10	**16,760**	**£0**	**£0**	**£328,595**	**£19.61**	**£2.22**

Fixed GBC Subsidy - £328,595

Guildford Borough Population – 147,889

The following notes relate to the Year 20/21 Operations Financial Summary accompanying this report.

- Please note that some figures in March 2021 column are irregular due to the acquisition of HQT&H by TE at this time

REVENUES

THEATRE SALES

- Theatre Rentals relate to hire of G Live Main Hall. Between January and July this was solely by GBC on behalf of NHS Surrey Heartlands Clinical Commissioning Group for the purpose of hosting the vaccination centre.

- Ticket sales relates to the sales of tickets that G Live retains a share of. All events that took place in August and September are reconciled in September.

THEATRE COSTS

- This is the cost of events and include producer share of income (artists fees), royalties, copyright (PRS) and bank charges

THEATRE GROSS PROFIT

- This shows G Live's retention of Theatre Sales income

TOTAL OTHER INCOME

- This shows income generated through booking fees, friends memberships and creative learning income.

TOTAL SUPPLIER RELIEF

- This is the funding gratefully received from GBC. Please note the amount paid in 2019-20 contract year is shown in Oct 2020.

TOTAL HOSPITALITY CONTRIBUTION

- This is the profit from the food and drink sales and hospitality event side of the venue.

OVERHEADS

TOTAL STAFFING COSTS

- This is the total net cost of all staff – where applicable income from the Job Retention Scheme relating to staff on furlough leave is included in this row

TOTAL ADMINISTRATIVE COSTS

- This is the total cost of all other overheads excluding utilities and staffing.

TOTAL UTILITIES

- This is the total cost of electricity, gas and water

YEAR 20/21 OPERATIONS

	ACTUAL OCTOBER 2020 £	ACTUAL NOVEMBER 2020 £	ACTUAL DECEMBER 2020 £	ACTUAL JANUARY 2021 £	ACTUAL FEBRUARY 2021 £	ACTUAL MARCH 2021 £	ACTUAL APRIL 2021 £	ACTUAL MAY 2021 £	ACTUAL JUNE 2021 £	ACTUAL JULY 2021 £	ACTUAL AUGUST 2021 £	ACTUAL SEPTEMBER 2021 £	OCT-SEPT YEAR 10 £
REVENUES													
THEATRE SALES													
Theatre Rentals	-	-	-	12,667	14,647	19,840	20,882	20,000	20,000	20,000	-	17,885	145,921
Ancillary Spaces													-
Ticket Sales	-	-	-	-	694	(4,061)	-	190	-	-	-	214,576	211,399
	-	**-**	**-**	**12,667**	**15,341**	**15,779**	**20,882**	**20,190**	**20,000**	**20,000**	**-**	**232,461**	**357,319**
THEATRE COSTS			-										
Artists Fees	-	49	-	-	-	(13,720)	-	147	-	-	-	159,045	145,520
Royalties	-	-	-	-	-	-	-	-	-	-	-	1,680	1,680
PRS	-	(63)	-	-	-	(1,977)	-	-	-	-	-	4,060	2,020
Credit Card Commission	396	663	753	414	307	616	1,996	2,120	2,949	1,836	3,736	583	16,368
	396	**648**	**753**	**414**	**307**	**(15,081)**	**1,996**	**2,267**	**2,949**	**1,836**	**3,736**	**165,368**	**165,589**
THEATRE GROSS PROFIT	**(396)**	**(648)**	**(753)**	**12,252**	**15,034**	**30,859**	**18,885**	**17,924**	**17,051**	**18,164**	**(3,736)**	**67,093**	**191,731**
GP %	**0.0%**	**0.0%**	**0.0%**	**96.7%**	**98.0%**	**195.6%**	**90.4%**	**88.8%**	**85.3%**	**90.8%**	**0.0%**	**28.9%**	**53.7%**
TOTAL OTHER INCOME	6,464	7,949	17,001	7,266	5,988	(27,699)	6,492	8,651	15,357	8,500	12,689	45,247	113,905
TOTAL SUPPLIER RELIEF	141,087	21,282	21,282	21,282	36,496	21,282	21,282	21,282	-	-	-	18,000	323,274
TOTAL HOSPITALITY CONTRIBUTION	(11,791)	(3,483)	34	(5,793)	(12,659)	(26,491)	-	-	-	-	(240)	47,842	(12,580)
TOTAL REVENUES	**135,365**	**25,100**	**37,564**	**35,008**	**44,859**	**(2,049)**	**46,660**	**47,856**	**32,408**	**26,664**	**8,714**	**178,182**	**616,330**
THEATRE OVERHEADS													
TOTAL STAFFING COSTS	33,048	20,245	23,035	29,920	32,630	34,170	35,122	52,048	47,375	62,772	73,660	97,164	541,191
TOTAL ADMINISTRATIVE COSTS	30,952	17,602	21,574	24,033	20,458	33,507	42,523	46,337	54,698	73,330	57,949	91,174	514,137
TOTAL CAPEX	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL UTILITIES	*3,223*	*3,409*	*2,075*	*7,244*	*7,576*	*10,438*	*7,368*	*7,401*	*6,289*	*10,616*	*9,065*	*11,412*	*86,115*
TOTAL THEATRE OVERHEADS	**67,223**	**41,255**	**46,685**	**61,197**	**60,664**	**78,115**	**85,013**	**105,786**	**108,362**	**146,718**	**140,674**	**199,750**	**1,141,442**
SURPLUS / (DEFICIT)	**68,142**	**(16,155)**	**(9,121)**	**(26,190)**	**(15,805)**	**(80,164)**	**(38,354)**	**(57,929)**	**(75,954)**	**(120,054)**	**(131,960)**	**(21,568)**	**(525,113)**
SUBSIDY	27,383	27,383	27,383	27,383	27,383	27,383	27,383	27,383	27,383	27,383	27,383	27,383	328,595
TOTAL SURPLUS / (DEFICIT)	95,525	11,228	18,262	1,193	11,578	(52,781)	(10,971)	(30,546)	(48,571)	(92,671)	(104,578)	5,815	(196,518)
Council Share - 20%	19,105	2,246	3,652	239	2,316	(10,556)	(2,194)	(6,109)	(9,714)	(18,534)	(20,916)	1,163	(39,304)
G Live Share - 80%	76,420	8,982	14,609	955	9,262	(42,225)	(8,777)	(24,437)	(38,857)	(74,137)	(83,662)	4,652	(157,214)
	95,525	11,228	18,262	1,193	11,578	(52,781)	(10,971)	(30,546)	(48,571)	(92,671)	(104,578)	5,815	(196,518)

G Live Annual Report Presentation Meeting Minutes

Friday 16 December 2021 at 17:00

(Microsoft Teams Meeting)

Present:

From GBC:
Cllr James Steel (JS) (Lead Councillor)
Cllr Ramsey Nagaty (RN) representing O&S
Cllr Colin Cross (CC) representing O&S
Cllr Tom Hunt (TH) (Executive - Guest)
Jonathan Sewell (JBS)

From HQ Theatres:
Derek Aldridge (DA) – HQT Venue Director

Apologies:
Cllr Pauline Searle (PS) representing O&S
Cllr Graham Eyre (GE) representing O&S
Cllr Jan Harwood (JH) representing O&S
Ian Doyle (ID)
Kara Anderson (KA)
Alvin Hargreaves (AH) – HQT

Ref:	ITEM	Action
1.0	**Introduction**	
1.1	DA introduced the presentation for the contract year (Oct 2020 to Sep 2021) and explained that the venue was closed for normal operation for all but the final 5 weeks of the contract year.	
1.2	DA thanked the Council for its support during the COVID closure, its help with setting up the vaccination centre and support during the Willmott Dixon building works.	
1.3	DA mentioned the contribution the venue had made to the local vaccination programme with 175,000 vaccinations administered during the period of its operation.	
2.0	**Presentation of the G Live Annual Report by Derek Aldridge**	
2.1	DA indicated there were 177 performances rescheduled accounting for 60,000 tickets. Unfortunately, 81 performances had to be cancelled during this period due to various reasons such as the performer no longer wished to be on tour	
2.2	DA explained the performance table for the short period of opening, during the 5 weeks almost 17,000 people attended events at the venue.	
2.3	The venue had also welcomed back the Hillsong Church and other community events.	
2.4	DA said he was very pleased with how the programme for 2022 looks, obviously subject to any further pandemic disruptions.	
2.5	The venue's smaller halls customers were a little slower to return but there were still 23 events in the 5-week period.	
2.6	The creative learning programme was suspended throughout the closure although contact was maintained with key partners in this area. This activity did not really return until October 2021.	
2.7	The kitchen hospitality activity returned following strict protocols. Customers have welcomed the pre-order and delivery to seat	

Ref:	ITEM	Action
	opportunities and have also returned to the Mezzanine Restaurant. HQT are looking to expand the number of tables and undertake some further investment proposals to enhance the catering offer including a request from the venue sinking fund. DA highlighted the move to a cashless operation and indicated that this had been well received by the customers as part of the See It Safely programme.	
2.8	Events have returned to G Live although this aspect will take time to recover fully. Various large events have rebooked, and signs are good going forward.	
2.9	The measurement of the perception of Customer Service has recently recommenced but there would not be any figures for this contract year.	
2.10	Da explained that due to the COVID closures it was necessary to look at Year 8 of the contract for a full year of “normal” activity. The figures demonstrate a stark comparison between the operation in the period and normal activity.	
2.11	DA set out the impact of COVID on the venue and industry and once again thanked GBC for their support. He also mentioned the new management arrangement as part of Trafalgar Entertainment Group which HQT joined mid-way through the year. DA was excited by the opportunities presented by this new relationship.	
2.12	DA explained the new arrangements withy E-Tickets reducing contact and helping with the management of the venue. He also explained the new arrangements with the call centre and the reduced day time hours of operation. There was little or no passing footfall now however, these arrangements would be kept under review and would be led by demand. The reduced hours have been very positive in helping the facilities return to normal operation through releasing staff for training etc.	
2.13	G Live continues to take a very pragmatic approach to dealing with COVID refunds etc. prioritising customer care.	
2.14	There have been 3 occasions where Track and Trace have notified a need to notify all customers that someone at the venue at the same time as them may have been infectious at the time following an event where 2 customers had subsequently tested positive. Obviously, this does not automatically mean that these individuals contracted the virus during their visit.	
2.15	G Live are following all reasonable steps to encourage customer compliance with COVID regulations and various facilities are in place to assist with this. The venue is taking all necessary measures to facilitate a safe visit by customers and visiting production companies including ventilation and touch point cleaning for example.	
2.16	The building has continued to be maintained throughout the period. The turnaround to prepare the building for use as a vaccination centre was very quick.	
2.17	HQT have worked very closely with Willmott Dixon and GBC to minimise any disruption for the remedial building works.	
2.18	DA quickly explained some of the proposed schemes for future service development, these include improvements to the restaurant and a full signage review internally and externally.	

Ref:	ITEM	Action
2.19	DA explained the financial position as a result of the limited trading opportunity this year. There was a £196,518 loss during contract year 10, which is to be expected given the circumstances.	
3.0	**Questions**	
3.1	DA welcomed further questions / comments. CC commended HQT on their management during this challenging contract year. DA thanked CC for his comments. CC suggested using the exterior opportunities of the venue more and sell the outside space. DA indicated this was something being looked at for the better weather period. TH thanked DA for his presentation. TH asked about the remedial works being undertaken by Willmott Dixon. DA confirmed these works are just in the process of concluding. TH inquired about the mezzanine kitchen plans mentioned in the previous annual presentation. DA confirmed these were a part of the investment plans for the hospitality offer. JS & TH had to leave the meeting at this point. RN asked about the refund voucher usage and whether DA was concerned about the financial cash flow implications of customers using those. DA explained the funds paid by customers were placed in holding accounts till the event took place and therefore there was no detrimental impact on cash flow. RN asked about cleaning arrangements and DA explained they used both external and internal cleaning. DA indicated the different types of cleaning equipment used to clean the venue. DA expressed a feeling uncertainty over what the future holds at the moment, particularly for January. CC expressed his appreciation at the provision of drinks to the seats and DA explained how the restricted offer “magic” happens. DA believes many of the customers would not of visited the bar had this service had not been available. He also pointed out that this service improves the service at the bar by reducing the queues.	
3.	There were no further questions and the meeting closed with everyone being thanked for their attendance.	

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Overview and Scrutiny Committee Report

Report of Director of Strategic Services

Author: James Dearling

Tel: 01483 444141

Email: james.dearling@guildford.gov.uk

Date: 1 March 2022

Overview and Scrutiny Work Programme

Recommendation

That the Committee consider the overview and scrutiny work programme attached at Appendix 1 and determine its work plan.

Reason for Recommendation
To enable the Committee to review and agree its work programme for the coming months.

1. Purpose of Report

1.1 As approved by Council, the remit of the Overview and Scrutiny Committee (OSC) includes the specific responsibility to approve the overview and scrutiny work programme to ensure that the Committee's time is used effectively and efficiently.

1.2 A well-planned overview and scrutiny function will help both officers and members plan their workloads as well as providing a clear picture to the public of planned activity. An effective work programme is the foundation for a successful overview and scrutiny function.

1.3 This report sets out the overview and scrutiny work programme as developed thus far for 2022.

2. Work Programme Meetings

2.1 In addition, Council has agreed that the OSC is responsible for setting its own work programme in accordance with the following procedure:

> The chairmen and vice-chairmen of the OSC and the Executive Advisory Boards and relevant officers shall normally meet at least bi-monthly to exchange, discuss and agree proposed rolling 12-18 month work programmes for submission periodically to the OSC (in respect of the OSC work programme) and to the Executive Advisory Boards (in respect of the EAB work programmes) for approval. The proposed work programme for the OSC will be determined with reference to the P.A.P.E.R. selection tool, attached as Appendix 2 to these procedure rules [and as Appendix 2 to this report].
>
> The chairman and vice-chairman of the OSC will ensure that all councillors are able to submit requests for alterations to the work programme for consideration at each of these work programme meetings.

2.2 The next work programme meeting of the chairmen and vice-chairmen of the OSC and the EABs is scheduled for 16 March 2022.

2.3 Councillors are encouraged to attend a work programme meeting to explain in more detail their proposal, including how it fulfils the criteria outlined in the mnemonic P.A.P.E.R. (Public interest; Ability to change; Performance; Extent; and Replication).

2.4 In addition to the work programme meetings in section 2.2 above, Councillors can discuss and submit proposals to the OSC Chairman and Vice-Chairman.

3. Financial Implications

3.1 There are no specific financial implications arising from this report.

3.2 The Council's governance arrangements review of 2015 led to the introduction of a discretionary budget for overview and scrutiny, set at £5,000 per annum. It is envisaged that the work programme, as drafted, is achievable within the existing financial resource.

4. Human Resource Implications

4.1 There are no specific human resources implications. It is envisaged that the work programme, as drafted, is achievable within the existing resources.

4.2 Overview and scrutiny will call on relevant officers during the conduct of its reviews. Individual scoping reports will seek to take additional resource requirements into account when drafted.

5. Equality and Diversity Implications

5.1 The Council has a statutory duty under section 149 of the Equality Act 2010 which provides that a public authority must, in exercise of its functions, have due regard to the need to (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. The relevant protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

5.2 This duty has been considered in the context of this report and it has been concluded that there are no equality and diversity implications arising directly from this report. Future overview and scrutiny reviews will consider equality implications on a case-by-case basis.

6. Legal Implications

6.1 There are no specific legal implications.

7. Climate Change/Sustainability Implications

7.1 There are no specific climate change / sustainability implications.

8. Conclusion

8.1 Developing a work programme for the overview and scrutiny function is an essential stage in the scrutiny process. An effective overview and scrutiny work programme identifies the

key topics to be considered over the coming months. In addition, it is suggested that a well-developed programme ensures that the views of councillors, partners, the public, and external organisations are represented effectively in the process.

8.2 The Committee is requested to consider the work programme attached at Appendix 1 and determine its work plan.

8.3 For information, attached at Appendix 3 is the procedure which task and finish groups are expected to operate and report their findings in accordance with.

9. Background papers

None

10. Appendices

1. Overview and scrutiny work programme, January 2022
2. P.A.P.E.R. selection tool
3. Task group procedure [Appendix 4 of the Overview and Scrutiny Procedure Rules within the Council's Constitution].

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Overview & Scrutiny work programme, 2022-23

Overview & Scrutiny Committee items
Monday 25 April 2022 meeting • Lead Councillor Question Session – Councillor John Redpath, Lead Councillor for Economy • COVID-19 response: update • Guildford & Waverley Councils Collaboration: update • Update on new Children's Emotional Wellbeing and Mental Health Services [Minute OS36, 19 October 2021, refers] • Review of the Visitor Strategy
7 June 2022 meeting • Lead Councillor Question Session – Councillor Cait Taylor, Lead Councillor for Climate Change • Guildford & Waverley Councils Collaboration: update • Annual Report: Charter Against Modern Slavery • Spend on consultants and agency workers, 2021-22
12 July 2022 meeting • Lead Councillor Question Session – Councillor tbc • Guildford & Waverley Councils Collaboration: update • Update on Mental Health Improvement Programme [Minute OS36, 19 October 2021, refers] • Overview and Scrutiny Annual Report, 2021-22
13 September 2022 meeting • Lead Councillor Question Session – Councillor tbc • Guildford & Waverley Councils Collaboration: update • Safer Guildford Partnership Annual Report 2022
8 November 2022 meeting • Lead Councillor Question Session – Councillor tbc • Guildford & Waverley Councils Collaboration: update • Operation of the Leisure Management contract, 2021-22
17 January 2023 meeting • Lead Councillor Question Session – Councillor tbc • Guildford & Waverley Councils Collaboration: update • Annual report and monitoring arrangements for operation of the G-Live contract, 2021-22
28 February 2023 meeting • Lead Councillor Question Session – Councillor tbc • Guildford & Waverley Councils Collaboration: update

Currently unscheduled items

- Review of the Council's ownership of Liongate House
- Review of Council's Customer Services
- Review of Council's Communications [to be scheduled for late 2022]
- Regeneration [focus to be identified by OSC members]
- Monitoring of the Council's Air Quality Strategy [Minute OS37, 19 October 2021, refers]

Task and finish groups

Title	Update
Affordable Housing	Membership: Cllrs Angela Gunning, Tony Rooth (Chair), Jo Randall, Ruth Brothwell, Cait Taylor, George Potter (Vice-Chair), and Ramsey Nagaty. Evidence gathering sessions with Shelter, etc. being arranged.

Overview and Scrutiny Committee

P.A.P.E.R. selection tool

Public interest: concerns of local people should influence the issues chosen

Ability to change: priority should be given to issues that the Committee can realistically influence

Performance: priority should be given to areas in which the Council and Partners are not performing well

Extent: priority should be given to issues that are relevant to all or a large part of the Borough

Replication: work programme must take account of what else is happening to avoid duplication or wasted effort

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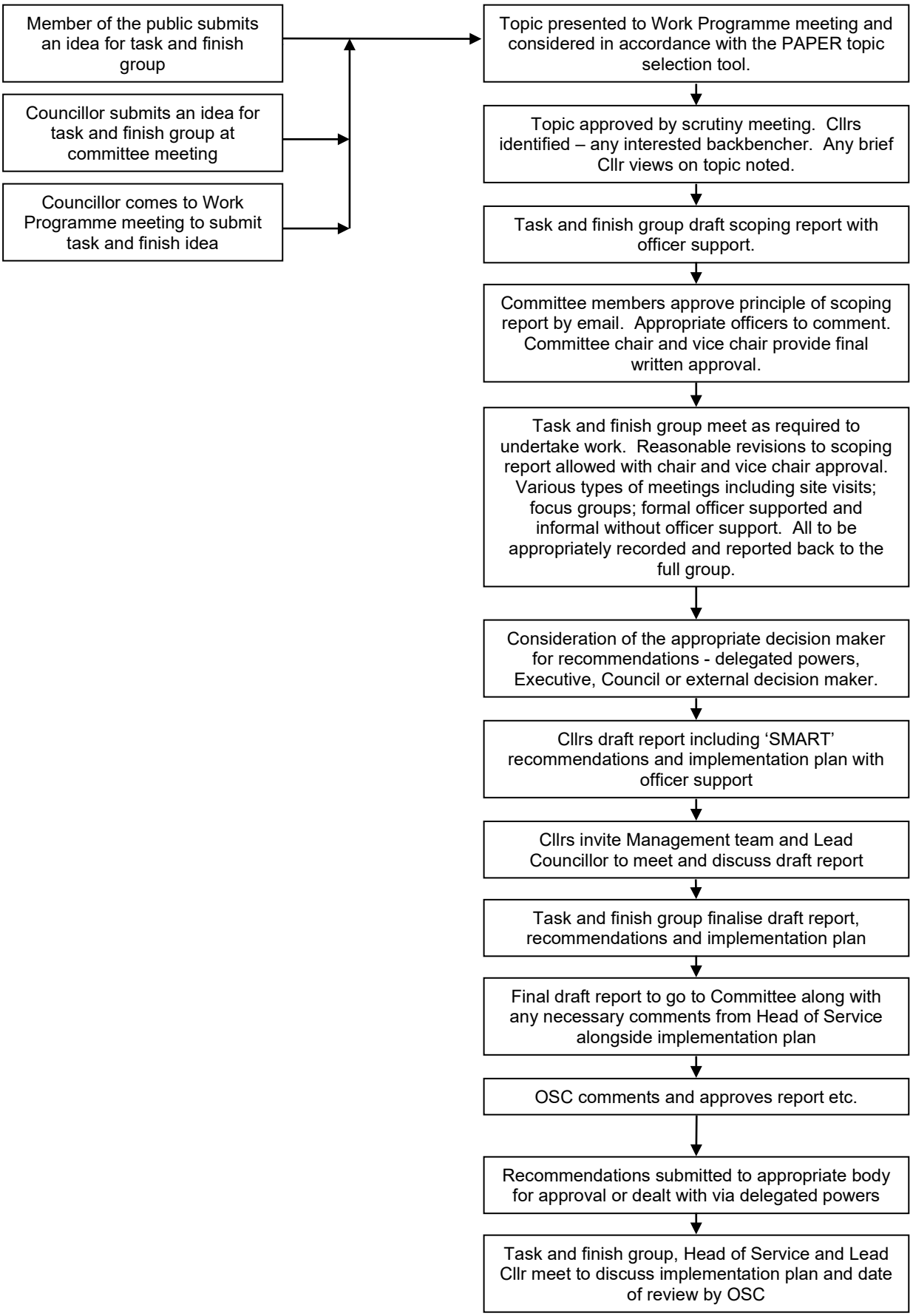
TASK AND FINISH GROUP FLOWCHART



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