

Annual Report Presentation by Trafalgar Theatres

Monday 6 November 2023 at 14:00

G Live

Present;

From GBC:

Kelvin Mills (KM)

Charlotte Brindley (CB)

Cllr Catherine Houston (CH)

Cllr Howard Smith (HS)

Cllr Dominique Williams (DW)

Cllr Stephen Hives (SH)

From Trafalgar Theatres;

Andy Locke (AL)

Alvin Hargreaves (AH)

Ref:	ITEM	Action
1.0	Apologies for absence & introductions	
1.1	Apologies were received from Ian Doyle (ID).	-
1.2	Everyone introduced themselves. KM began by explaining how Trafalgar's presentation of their Annual Report to O&S sub-group and the Lead Cllr this afternoon fits in with the upcoming Overview & Scrutiny meeting in January, in which KM will be bringing a covering report to.	-
2.0	Annual Report Presentation by Andy Locke	
2.1	<p>Purpose of the Annual Report</p> <p>AL began by outlining the purpose of the Annual Report, which looks at G Live's performance in its 12th full year of operation, from 1 October 2022 to 30 September 2023.</p> <p>AL explained that the period saw a combination of rescheduled events (post pandemic) and new tours which means that the period was considered a transitional period. Some shows/ events were also yet to return to pre-pandemic levels and therefore this period isn't directly comparable with previous (pre-covid) years. The period also saw significant changes to G Live's staffing structure and changes in operational processes and systems, some of which have been centralised.</p> <p>AL then provided an overview to the types of reports that are submitted to the Council as part of the monthly monitoring reporting, which provides an overview of how the venue is performing. This Annual Report provides a full summary of how the venue has performed over the year.</p>	-
2.2	<p>Executive Summary</p> <p>AL was pleased to report that this period saw record profit levels, meaning GBC's profit share was at its highest yet.</p> <p>AL then went on to summarise the programme and events for the period. 246 events were delivered in the main auditorium, and 92 events in the Studio. Classical music, which was a genre that saw slower recovery following the pandemic. However, AL noted that sales for the 2023/2024 were up 28% from the previous year as at the end of September 2023. Hospitality was also a success, with</p>	-

Ref:	ITEM	Action
	<p>new major events secured. Hillsong church (who use the venue every Sunday) have also extended their contract for a further year. Creative Learning saw further growth, with increased activity across 175 events. The Summer Youth Project, which saw involvement from 71 participants ranging in age from 7-17 was performed in the main auditorium for the first time. Memory Cinema audiences also increased during the period, by 177%.</p> <p>AL then provided a summary to the Food, Drink & Hospitality during the period, which had seen change in various areas following the new staffing structure and introduction of Grab n' Go style Street Food to replace the restaurant offer. The daytime café, which was closed during covid and during immediate recovery was also re-mobilised. This allowed the building to re-open its doors during the day. AL then touched upon the revised pricing structure that had been introduced at the bars which AL explained was as a result of increased supplier costs. This change aimed to protect retail prices for those events categorised as community events e.g. school concerts.</p>	
2.3	<p>Executive Summary continued</p> <p>AL then provided an overview to the new staffing structure which was put in place during the period. (ref. Page 7 of the Annual Report). The venue saw the centralisation of the box office-, making for a more efficient and effective way of working across the group, as 12 box offices have now been consolidated into one. AL commented that over 70% of bookings are now online, however G Live still have a ticketing team present at the venue, to allow for walk-in bookings.</p> <p>AL explained that whilst the marketing team had been centralised and this centralised approach will continue to be a great support to the venue in terms of overall marketing, Trafalgar recognise the importance of having a specific marketing person on site at G Live, who would ensure specific marketing is tailored to G Live's audiences and programme. AH explained that some venues may not require a dedicated marketing post at the venue, mainly due to these venues operating a very different programme to that of G Live's i.e. week/ month long content. As G Live is unique in that it offers a broad programme with 1 or 2 day events, as well as an extensive creative learning programme, school use, conferences, hospitality events and so on, it is therefore more difficult to programme and demonstrates the need of a dedicated on-site marketing person.</p> <p>AL explained how the centralised approach supports the teams on site; the Guest Experience teams, stage door, ticketing assistants are supported by the central ticketing operations team and contact centre. The hospitality team on site are supported by the central events sales team and group support chefs. The marketing person on site, and other departments are supported by the group's Central Marketing team, Customer Relationship Management (CRM) team and Content team.</p>	-
2.4	<p>Programme Balance & Range</p> <p>AL provided examples of performances across the following genres ; Comedy, Music, Community, Dance & Theatre, Children & Family,</p>	-

Ref:	ITEM	Action
	<p>Classical Music and Spoken Word (ref. pages 10, 11 & 12 of the Annual Report). This varied programme for 2022/23 combined re-scheduled events and new touring product (as noted earlier).</p> <p>The strong strand of comedians performing at G Live demonstrates continued popularity. AL explained that many high-profile comedy events were also hosted in the Studio, which is not included in the overall performance figures. The music performances held during the period show the diverse activity at G Live, whilst the Community section continues to grow with varied events and activities by local Orchestras and concerts, schools, universities and choral societies.</p> <p>Dance also continues to be extremely popular, with particular emphasis on Strictly Come Dancing stars being celebrated and their events being very well attended, with audiences of over 9,600 attending the musical Strictly Ballroom over the 2022 Christmas period.</p> <p>Cllr CH commented that these Strictly events which presumably are ‘quick turn-around’ events suit G Live as a venue. AL agreed and explained that G Live, with its proximity to London, continues to attract strong audience attendance to these extremely high quality shows.</p> <p>There was also a number of exciting Children & Family events provided during the period.</p> <p>Classical music returned to a full programme for the first time since the pandemic. AL was asked what was meant by a ‘full programme’. AL clarified that travel restrictions during the pandemic had meant that many international orchestras were unable to visit the UK, so this year was the first year that a full programme of concerts incorporating international orchestras was possible. AL provided the meeting with just some of the many speakers who had performed at G Live over the period.</p>	
2.5	<p>Programme Balance & Range continued</p> <p>AL then provided an overview of the number of events and attendances within the main hall under each genre (ref. KPI table on page 13) compared to the Key Performance Indicators.</p> <p>AL explained that 2021/22 consisted of the first post-covid recovery programme, which saw a significant number of rescheduled events feeding in to 2022 but also early parts of 2023. This has meant that the reporting period is less curated in its normal fashion as it has seen a combination of re-scheduled events and is therefore considered a transitional year whilst the venues settle back in to ‘business as usual’. Therefore, whilst the venue has seen strong</p>	-

Ref:	ITEM	Action
	<p>recovery, the programming is not directly comparable with previous covid years.</p> <p>AL explained that it is also important to note that the Key Performance Indicators (KPI's) were set before the venue had opened in 2011 and therefore they were based on anticipated programming expectations. As the years have gone by, the venue has become well established, the diverse and broad programme balance has continued to evolve. The venue remains reliant on what is available and touring at the time, whilst also needing to adapt to wider market challenges and changes. AL was pleased to report that whilst the target figures have not been exceeded, the 93% is still very positive.</p> <p>The significant increase of live music events during the period (67 compared to 22 in the previous year) shows the venue's ability to secure available touring product and maximise its success.</p> <p>Trafalgar has also worked hard to increase community usage, and was pleased to report a 73% increase in community activities. This figure excludes usage by Hillsong Church.</p> <p>AL was asked who G Live's main competitor was. AH/AL confirmed that venues across London (just 40 minutes away) are G Live's main competitors. G Live wasn't designed to compete with Woking Theatre, and it's programming doesn't, and the Yvonne Arnaud is also a different venue, as a more traditional theatre and so G Live sits very well within the marketplace.</p> <p>AH referred to the programming mix and numbers which have been affected in the period, however the costs that have been controlled and changes made to adapt to the challenges experienced, means that G Live was able to produce a strong commercial return.</p> <p>The number of events under each genre were discussed in more detail. Comedy is still very popular and has shown a very strong return.</p> <p>The absence of a fly tower at G Live means that the venue isn't able to offer or host heavy theatrical performances or traditional pantomimes that other venues may be able to. This means G Live does not offer these sorts of events of 5/6 days duration. Instead, G Live is nevertheless able to offer shorter events, which includes ballet.</p> <p>AH was asked what the 1 event under the 'Sport' category was during the period. AH confirmed that this was a Gym-Fusion event, attracting just shy of 600 attendees. AH confirmed that G Live is</p>	

Ref:	ITEM	Action
	<p>due to host a white-collar boxing event (which is a private hire and therefore not open to the wider public).</p> <p>AH was asked whether bookings were passive or whether Trafalgar proactively seeks out sporting events. AL confirmed that this the programming team will be aware of what is available and will approach the product to see if they will use G Live, but G Live is also approached (i.e. they received an enquiry relating to a Wrestling event recently.) AH explained that there is a balance to be made in terms of ensuring the product is right for the venue. AL alluded to Snooker that had been shown at G Live in the past, but that the rigging and infrastructure required for this (and therefore costs associated) was challenging, and it also meant that the venue couldn't be hired out the following night. It is therefore vital to ensure the right decisions are made regarding the programming to ensure it is financially viable. Trafalgar Theatres focuses heavily on comedy and spoken word as it knows there remains a large appetite and strong audiences for this sector, combined with its less challenging rigging/ infrastructure.</p> <p>AH added that sporting events have evolved since the KPI's were set in 2011. Since then, sporting events that may have been suited to G Live e.g. darts, are now looking at larger venues (arena style with 12,000 capacity). These are now high-profile televised events which need to be considered when facilitating and costing the event.</p> <p>AL referred to the spoken word events during the period which brought in audiences interested in sport, although they would be categorised under Spoken Word rather than sport. This included talks by Harry Redknapp and 'The Good, The Bad and The Rugby'.</p> <p>Cllr HS referred to criticism made by some that G Live is good at bringing in comedy and other events, such as Strictly, but there is a limited programme relating to live music, in particular tribute and cover bands. AH explained that the touring sector has changed dramatically over the years and the touring circuit has changed. Venues used to be used by artists to promote records, particularly in the lead up to Christmas, however records have now been replaced with digital. Musical acts tend to grow in popularity extremely quickly (practically overnight) and so aren't generally looking for venues of a similar size to G Live. G Live cannot attract many artists, mainly due to its capacity (compared with arena sized venues). AH added that production requirements aren't much more for an arena and so G Live is not so appealing. Cllr HS referred to a band, Dinosaur Junior, which often plays to venues of around 1000 seats and has 20 dates across its touring schedule. Cllr HS wonders whether G Live is missing a trick with these sorts of bands</p>	<p>AH/AL</p>

Ref:	ITEM	Action
	<p>and is mindful that younger audiences may not being catered for. AH/AL acknowledged that music has not been heavy in terms of volume and range (for the reasons mentioned above and suitability of the venue) but perhaps this may be something that Trafalgar would look at more closely. AH added that the PA set up (for example) would need to be reviewed, and this is something that would need to be invested in, to better tailor the venue to suit the music requirement, however this would need to be carefully considered so that an appropriate system is put in place and doesn't restrict other programming activities. Cllr HS would appreciate Trafalgar's further thoughts on this.</p>	
2.6	<p>Creative learning AL then took the meeting through the Creative Learning section of the report (ref. page 15), first by outlining its aims and how the programme is resourced and the different elements to it.</p> <p>AL was asked how Trafalgar reach out to schools and the funding arrangements for schools. AL explained that the Creative Learning team make contact with all local schools to make them aware of the creative learning programme, workshops and free activities available. AL added that it is unlikely state funded schools would pay for any private events or spaces due to the financial constraints but also because many schools have their own spaces that they would use.</p> <p>AL summarised the varied holiday programme which took place over the October, February and May half terms and included a range of performance, visual arts and technologies (ref. Page 17). AL was pleased that G Live was able to provide a range of activities to compliment the more traditional and theatrical programme; participants were able to take part in computer programming and pyrography activities.</p> <p>AL provided an overview of the other programmes included within the Creative Learning programme, including the Encore Special Educational Needs (SEN) Group, as well as the Comedy programme for adults and Memory Cinema, which took place in the Bellaby Studio.</p> <p>As AL alluded to earlier, the Summer Youth Project was a huge success and returned bigger and better this year which meant that it could take place in the main auditorium; a great experience for participants and the audiences. Cllr CH commented how superb the performance was and how impressed she was with how the different ages and abilities came together to give such a professional performance. CH was also struck by how well the scenery was put together. AL agreed and showed just a few of the many compliments received from parents following the show (ref. Page 20 of the Annual Report). AL added that it was really good to</p>	-

Ref:	ITEM	Action
	<p>see cohesion between all the ages and the table showing the mix of participants demonstrates how this programme reached out to a broad demographic.</p> <p>AL then went on to summarise the Family fun days which took place in October and June. AL was asked how these family fun days (which are free of charge) are funded. AL explained that projects throughout the year, such as the Summer Youth Project, are used to fund these activities, with the aim that Creative Learning activity is self-supporting. Cllr DW noticed that the café was open during these times and so presumably this would generate secondary income which could then help support these activities.</p> <p>AH added that Trafalgar Entertainment has recently set up a trust, and has a plan for centralized funding for creative learning which he is happy to share with Cllrs if this is of interest.</p> <p>Post meeting note; <i>shared with meeting attendees on 8/11/2023</i></p> <p>AL then went on to summarise the community development initiatives that took place during the period. The craft café, which was set up to provide a space where the community can come together and take part in free craft activities. The Halow Project, a charity supporting young people with learning disabilities, also continued to receive music classes at G Live. Trafalgar also continued to work with the YMCA and the Surrey Dance Network (ref. page 22).</p> <p>AL concluded the Creative Learning section of the report by presenting a table which showed the split of sessions, participant numbers and artists across the variety of events in the period (ref. page 23). In the period, there were 175 sessions, attended by around 4,000 participants and involving 176 artists.</p>	
2.7	<p>Food, Drink & Hospitality</p> <p>AL then presented the next section of the Annual Report which detailed the performance of the Food, Drink and Hospitality section and outlined the various changes made during the period.</p> <p>As AL noted earlier, G Live saw the introduction of the Street Food offer from the café, which replaced the traditional mezzanine restaurant offer. AL explained that in 2021/22, the restaurant saw a slow return, with only 1.5% of audiences choosing to dine. The costs, staffing and limitations associated with this model meant that its commercial viability was in question, and Trafalgar wanted to offer something that would be more appealing for audiences whilst also being more cost-effective to operate. AL noted that within the first 6 months of operating the new Street Food offer, over 2% of audiences chose this option. This offer continues to be monitored and fine-tuned, however AL was pleased with its success over the first few months of operation and is excited to see it develop over the coming months.</p> <p>In response to a question in regards to how this new pre-dining arrangement works in practical terms, AL confirmed that there is seating available for audience members however the serving containers (which are recyclable) are designed so people are able to stand and eat. AL explained that it is more of a casual and</p>	-

Ref:	ITEM	Action
	<p>flexible dining experience, which many audiences are looking for now.</p> <p>AL then referred to the day-time café, which re-opened in mid-May, which Trafalgar is working hard to drive footfall rather than relying on passing trade. AL hopes the introduction of a Baby Friendly Cinema Club and a craft café will help this, whilst also providing a space and access to more individuals who may not otherwise visit G Live.</p> <p>Bars & Retail, which accounted for around 76% of total hospitality income in the period continues to perform very well, and despite the fall in number of live performances (by 8%), AL was pleased to report that this was 4% up on last year.</p> <p>AL then went on to provide examples of the work undertaken by G Live's 'Green Team' which was set up to focus on sustainability. G Live saw the introduction of polycarb glasses, wooden cutlery and vegware packaging, food recycling through 'ReFood', as well as other product changes to promote sustainability and also fairtrade (ref. Page 26).</p> <p>The hospitality events section continues to play a crucial part to the venue's success. AL explained that work has continued by the team, with the support from the central events sales team, to continue to secure new and returning business. AL summarised the varied dining events that G Live hosted, which caters to around 400 diners each time, as well as the smaller dining events and parties which were held in other areas e.g. Glass Room. Conferencing also saw a combination of new businesses using G Live and those returning for the first time since the pandemic, as did the self-produced ticketed events which varied from Karaoke events, to comedy club and dinner dances.</p> <p>AL concluded this section of the Annual report by presenting a table which showed the hospitality split across the various genres at G Live. There were 178 events in total, attracting over 11,600 participants.</p>	
2.8	<p>Operator Agreement & KPI's</p> <p>AL then went on to present a table (ref. page 30 of the Annual Report) which shows G Live's performance across the 12 years of operation. Year 9 and 10 were impacted by the pandemic, with year 11 being considered a recovery year and this year considered as a transitional period (as mentioned earlier).</p> <p>AL was pleased to report that attendances were 11,500 ahead of the KPI, with total attendance reaching 172,711.</p> <p>This was supported by a Creative learning programme, hospitality events and events within the Bellerby studio, of which are not included in the KPI table.</p> <p>Trafalgar are seeing a further increase in audiences returning and is excited to see that the future is looking strong for G Live.</p>	-
2.9	<p>Customer satisfaction</p> <p>Page 32 of Trafalgar's Annual Report provided an overview to the Guest Experience Management platform which is used to collate customer feedback from three sources; feedback scores (customers contacted after their visit), review ratings from Google reviews, Trip Advisor, Facebook etc., and also audit scores from mystery shopper visits.</p>	-

Ref:	ITEM	Action
	<p>The next page showed a word cloud and some examples of the Google and Trip Advisor reviews that had been made during the period.</p> <p>AL confirmed that some of the comments received during the period related to the condition of the seats. Trafalgar has since replaced 200 seats and now have a rolling replacement schedule in place for this.</p> <p>AL was pleased to report that this year, G Live won Best Entertainment Venue in the Best Bar None awards and Best Live Music venue at the Surrey awards.</p>	
2.10	<p>Facilities and Health & Safety</p> <p>AL then highlighted some of the maintenance activities undertaken during the period (ref. page 36), including the installation of replacement seats (as mentioned earlier), investment into the café facilities to facilitate the new Street food offer and daytime offer, refurbishment to the seminar rooms and LED lighting installation. AL explained that this lighting work gives the venue more flexibility operationally, whilst also contributing to a more sustainable venue. New bins have also been introduced to the site as well as a review of G Live's recycling policy. Works to the heating / radiators has also been completed during the period, as well as works externally to the landscaped areas.</p> <p>AL explained that the venue's Buildings and Facilities Manager meets monthly with GBC representatives for the monthly asset meetings. These meetings are used to look at a variety of aspects such as compliance, general maintenance and future investment plans.</p> <p>It was clarified that GBC is generally responsible for the structural components of the building and exterior e.g. roof, structural walls etc. and Trafalgar are responsible for everything else.</p> <p>AH commented that whilst Trafalgar have an extensive maintenance programme and there are ongoing repairs and decorative works required, now that the building enters its next phase of life i.e. 15 years plus, there will be a requirement to renew major plant.</p> <p>AL then went on to summarise Trafalgar's commitment to delivering best practice in Health and Safety, and what processes are in place to measure this and ensure this is maintained.</p> <p>KM commented how impressed he has been on how health and safety is dealt with by Trafalgar. CB agreed and AL commented that there is a strong health and safety culture in place, and the staff are very good at reporting near misses and proactively reviewing and monitoring health and safety arrangements so that it is second nature to their activities.</p>	-
2.11	<p>Financial Performance</p> <p>Before AL presented the financial performance for the period, he made the meeting aware that these accounts had not yet been audited and therefore may be subject to change. The figures reflect the reduced fixed-subsidy payment of £275,000 that the Council pays to Trafalgar annually.</p> <p>The table on page 39 shows total venue income of £3.472m in the period, against £3.04m in the previous year, delivering a gross profit of £1.57m.</p>	-

Ref:	ITEM	Action
	<p>The meeting noted that the average ticket price had increased (by 30p, to £33.34) and asked whether this is expected to increase further. AL confirmed that costs and ticket prices will increase, as this is dictated by the market, but a balanced approach will be made according to the range of product i.e. family and community work, which will continue to be priced lower than others.</p> <p>AL was pleased to report a post-subsidy surplus of £377k, which means that the Council will receive a profit share of £75k for the period, which is the highest profit share in G Live's 12 year history. AL then provided an overview of subsidy per attendee. This is coming back down again following the pandemic and its very low figure (£1.16 per attendee) demonstrates very good value for money.</p>	
2.12	<p>Economic impact</p> <p>AL then presented the outcome of the economic contribution assessment which estimates activities at G Live contributed over £4m to the local economy, through voluntary spend, local venue expenditure, visiting company expenditure and staff wages spent locally. The meeting noted that this demonstrates the value of G Live and its positive impact and contribution to the borough.</p>	-
2.13	<p>Looking ahead for next contract year</p> <p>AL concluded the presentation by showing the programming for the year ahead and the variety of performances that had already been pencilled in.</p> <p>One event, Remembering Gary Brooker, featuring performers including Eric Clapton, Mike Rutherford and Roger Taylor, sold out within 30 minutes at £100 per ticket.</p> <p>AL is excited to introduce new activities and events to the venue. The meeting was then shown a video which encapsulated the many exciting activities and events provided at G Live.</p>	-
3.0	Questions & comments	
3.1	<p>AH referred to the procurement process for the future operation of G Live following expiry of this contract in October 2024.</p> <p>AH wanted to re-assure the Council that the programming continues and Trafalgar is already in discussion regarding programming beyond the existing contract term. Whilst Trafalgar cannot formally contract promoters the diary can still be filled and necessary arrangements are in place whereby they would novate to another operator. AH referred to investment into the facility and reassured the meeting that this would continue so that the facility is in as good condition or better than how it was handed over. AH explained that it is in Trafalgar's interest to ensure the programme remains fit for purpose and the sector maintains confidence that G Live will continue to operate for many years to come.</p> <p>AH explained that short contracts limit operators' ability to invest and so he was pleased to see that the Council was looking at a longer arrangement of 15 or 25 years which will ensure suitable investment into the facility.</p> <p>Cllr CH asked what Trafalgar's strategic plans were for looking ahead. AH explained that tenderers are currently in the first stage of the procurement i.e. Supplier Questionnaire stage. Timescales are tight for this procurement (10/11 months), however Trafalgar</p>	-

Ref:	ITEM	Action
	<p>has already looked at the strategic overview, in reference to programming, marketing, investment, balancing/ re-imagining the spaces to fit the programming ambitions and how that stacks up with the commercial elements. This will form part of Trafalgar's submission at the ITN stage. AH added that he believes the Council will receive commercially favourable bids and the procurement is weighted this way.</p> <p>KM confirmed that he will continue to keep the Lead Cllr and O&S sub-group updated as the procurement progresses through the stages. A meeting is already in place to update Cllrs following the SQ evaluation. KM confirmed that it was likely that 3 or 4 potential operators would be taken through to the next stage of the procurement (to ITN).</p>	
3.2	<p>Cllr CH referred to the climate change emergency and how the existing contract doesn't place emphasis on this, and therefore the reporting doesn't include for this in the detail or depth that would be desired today.</p> <p>AH confirmed that a significant amount of works has been completed post pandemic, and this year, Trafalgar has taken a deeper and more granular approach to reduce energy consumption and has placed focus on reviewing set points and usage via the Building Management System. AH referred to the LED Lighting scheme which was funded via capital, that is just one of the schemes which has helped to reduce consumption. These form part of Trafalgar's environmental strategy, and includes the requirement for SECR reporting, as well as other KPI's and metrics so that all elements can be carefully monitored and measured. AH added that all electricity is now procured through Bryt Energy and supply is from 100% green/renewable.</p>	-
3.3	<p>The meeting discussed how pleased they were with G Live's performance this year and congratulated Andy for his superb work over his first year of Directorship, particularly given the number of challenges and considerable change throughout the period.</p>	-
3.4	<p>There were no further comments or questions and the meeting closed.</p>	-