

Report of Heads of Finances and Resources

MANAGEMENT AND OPERATION OF CASTLE THEATRE, WELLINGBOROUGH

1 Purpose of report

- 1.1. To provide information and recommendations in relation to the future operation of the Castle Theatre in Wellingborough, following its closure by the Administrator in June 2016, and its re-opening under temporary management arrangements by the council.
- 1.2. To propose plans for the medium-term management of the Castle Theatre from January 2017 whilst new permanent arrangements are put in place.

2 Executive summary

- 2.1 The council took control of the theatre in June 2016 after its closure by the Administrator, using external expertise to ensure that it could continue to operate in the short term. This is not a core function of the council, so could not be incorporated into any of the existing services. In order for the theatre to survive and to provide the services required by local communities in the future it will need to be managed by an organisation which can demonstrate the necessary professional expertise, whilst also evidencing the ability to run it as a going concern. Members are asked to consider how this might best be achieved; a detailed options appraisal has been produced and is available for members to read; relevant extracts relating to this decision are appended to assist with this.

3 Appendices

- Appendix 1 Extract from Options Appraisal Report – Clover Theatre Management
- Appendix 2 Overview of theatres with similar capacity to the Castle Theatre

4 Proposed action:

Members are invited to RESOLVE to:

- 4.1 **agree that officers submit a report in the new year which advises the council on the actions required to:**
 - (a) seek a trust, company or organisation to manage and operate the Castle Theatre, based on a comprehensive brief and tender specification that results in a sound business plan which meets the needs of the council and the community by taking a “hybrid” commercial/community management approach;**
 - (b) produce a cultural/arts strategy which supports a coherent approach to the support of community arts provision across the borough;**
 - (c) determine the extent of funding of the arts in the borough, to replace previous subsidies for the operation of the theatre.**

- 4.2 **set up an advisory group which make recommendations in respect of 4.1 above, with terms of reference approved by the Chief Executive and the Leader of the Council;**
- 4.3 **instruct officers to engage a theatre specialist to work with the advisory group and produce a brief and tender specification with a view to advertising in March 2017 and a contract awarded by December 2017 or as soon as possible afterwards, in compliance with procurement rules.**
- 4.4 **delegate to the Chief Executive, in consultation with the existing members appointed as consultees on Castle issues, the staffing and management of the theatre to enable the Castle Theatre to continue to operate while the process for the long-term operation of the theatre is determined.**
- 4.5 **retain the existing revenue budget for the Castle Theatre in 2016/17, subject to further reports outlining requirements for supplementary revenue and capital estimates, if appropriate and necessary.**

5 Background

- 5.1 The Borough Council of Wellingborough (BCW) took over the running of the Castle Theatre at the end of June 2016, at which point a theatre management specialist (Hazel Clover of Clover Theatre Management) was engaged to work with the council's senior management team as Interim Head of Theatre Services (IHoTS). This role was required to implement short term plans to re-open the venue and advise on long term management options for its continued sustainability.
- 5.2 Members were keen that the theatre was re-opened under the council's operation as soon as was reasonably possible. To do this, it was first necessary to undertake a diagnostic of the premises to ensure the building was fit to operate and safe for use. Consultation undertaken as part of this process concluded that the building was generally in good condition, but some internal furniture, fabric and equipment required upgrading. Budget was set aside to ensure that the building complied with all health and safety requirements before re-opening. Additional work was undertaken to improve the heating and cooling systems, as well as water and sewage arrangements; such expenditure was essential following poor internal maintenance regimes over a number of years.
- 5.3 By the beginning of August 2016, a small but competent core staff team were in place and many of the regular users re-engaged, with a calendar of events emerging. A priority was to ensure that community users, many of whom had anticipated presenting their productions at the Castle Theatre, were in the diary and their events secured. The IHoTS was able to book a Christmas Show – an ice show – that both provided Wellingborough audiences with something new and complemented existing provision in the region.
- 5.4 Implementing the IT and phone infrastructure proved particularly challenging in the given timescales. It was essential to ensure that the various elements that were required to come together did so, which included setting up the ticketing

system (Spektrix), a new website, and payment processes linked to council systems. The box office / ticketing operation opened on 22nd September.

- 5.5 In addition, a number of suppliers were reluctant to re-engage with the theatre because of outstanding debts with the previous contractor. Significant time and effort was required to achieve a new positive working relationship with essential suppliers (such as film companies), and financial bonds were needed in some cases.
- 5.6 By early December 2016, 68 community user performances and 39 professional performances (not including 29 Christmas show performances) had taken place since September 2016 - or were due to take place before July 2017 - as well as a programme of film and live streamings. Since 22nd September 12,344 tickets had been sold, equating to £145,861.75 in gross income.
- 5.7 With the autumn season programme being operational and the Spring 2017 programme looking busy, the stretch on council resource and capacity has become evident. A theatre operation provides several different challenges outside the council's scope, particularly in areas of sector-specific health and safety, procurement, finance, HR and IT. The council has policies and procedures in place for its employees, and variations for the sector have been made where possible.
- 5.8 The council has committed to retaining the Castle Theatre to provide a performance venue for the communities of Wellingborough, and this report takes account of that commitment by providing options for the future operation of the theatre. The will by the public, users and stakeholders that this be the case has been cemented since the building re-opened in August, and is evident in the consultation process undertaken since. The IHoTS has undertaken extensive consultation on a one-to-one basis with relevant commercial and voluntary organisations, as well as hosting meetings with the users and the public.
- 5.9 A permanent management solution for the theatre is required as soon as possible to enable long term plans and policies to be put in place, thus providing a stable base for all stakeholders. This would be better provided by an external operator who can provide the necessary expertise.
- 5.10 All customer data was in control of the Administrator and the diary of events, which included dates held and commitments made to community and professional users, were not made available to the council.
- 5.11 Customers, users, staff and suppliers were publicly asked to make an approach to the council via a dedicated email address with offers of support, advice and requests to be involved. This email, although inundated with support and requests was, in the first few weeks of the council taking over the venue, an effective tool by which to engage the community.
- 5.12 What has been undertaken at the theatre in the timescales available is unprecedented, and would not have happened without the commitment of the council, users, the public, and the small team on site whose operational and technical knowledge has enabled the theatre to open and operate. However, building the trust of customers, users and stakeholders, as well as delivering safe and quality services and a forward programme of events, has also been a key priority.

- 5.13 Current arrangements to manage the Castle Theatre are in place until the end of December 2016. A succession/transitional/ business continuity plan needs to be put in place in January both to ensure the delivery of committed services for 2017 and to maintain the business until a long-term management solution is known. Work is still ongoing to finalise the 2017 autumn season of events, so some further work is needed to establish final income projections; the need for a year one operational budget will be addressed in January 2017.

6 Discussion

- 6.1 The council will need to consider three key areas as part of this report, which are outlined below and covered in more detail in Appendix 1. This appendix comprises extracts from the report by the council's theatre consultant, and IHoTS. The report compiled by the IHoTS is not included with this report in full because of its length and the fact that it contains some commercial information of a confidential nature. It is available to members on request.
- 6.2 The report also includes Appendix 2 which provides information on similar sized theatres for information.
- 6.3 This report focuses on the following:
- (a) The future arrangements for the operation of the theatre, which the options appraisal appended considers;
 - (b) Whether ongoing funding for the arts should be provided by the council, and how that might be achieved;
 - (c) The immediate management arrangements for the council until plans for the future can be implemented.

Options for the future management of Castle Theatre

- 6.4 Options set out in Appendix 1 are based on providing long term sustainability for the Castle Theatre which provides a performance venue for borough communities, and which meet the corporate aims and objective of the council as well as representing value for money for the borough's residents. It will of course be essential that any organisation which runs the theatre can demonstrate a means of providing a self-sufficient business plan.
- 6.5 In summary the options to achieve this are as follows:
- (a) Operation by a new or existing trust (not for profit organization)
 - (b) Operation by a commercial theatre operator or other commercial body
 - (c) Council operated, either as a corporate service or arms length company
 - (d) A hybrid of options (a) and (b) above: either a trust that engages a commercial operator or a commercial operator who sets up a subsidiary trust
 - (e) Reduce services to (for example) a theatre for hire and bookings
 - (f) Close and redevelop the site for another use
 - (g) Sell the building as a theatre.
- 6.6 Given members' previously stated objective to retain the venue as a theatre, this report has assumed that the final three options will be discounted and so are not examined in the report. They are listed here for completeness only.
- 6.7 Following discussions with the IHoTS, members are recommended to pursue option 6.3(d) above, inviting either a trust or a commercial operator to submit proposals to provide a theatre service, but with both elements (community and

commercial involvement) included in any business plan. The reason for this proposal is based on the requirement for professional theatre expertise and a sound business approach which provides a vehicle for community involvement.

- 6.8 In order to ensure that the invitation to tender, and the associated specification, meets the requirements of the council and the community it is proposed that an advisory group is created to work with the council's consultant on the preparation of documentation for recommendation to the council in the new year. The advisory group would ideally be composed of a small number of members, officers and community representatives. It will be essential that any community representatives are mindful of potential conflict of interest, as they may not also be involved with a group who is likely to submit a proposal. For this reason, the terms of reference for the group will need careful scrutiny by the Monitoring Officer.

Arts funding by the council

- 6.9 Under the previous contractual arrangements the council funded some of the management and running costs of the theatre with a view to supporting the arts in the borough. This contract fee (if the maintenance costs of the building are included) was reduced over the life of the contract, but the total budget for 2016/17 was £276,000.
- 6.10 This is a significant sum to commit to one discretionary service from the overall council resources of around £9.9m per annum.
- 6.11 Members are invited to consider their strategy for arts provision, together with its funding, in tandem with the provision of a theatre. This is an issue which can be explored in more detail by an advisory group, with recommendations to the council. Initial recommendations would be that such funding would be the same – or preferably lower – than the funding included in the contract with The Castle Wellingborough Limited.
- 6.12 A suggested approach is that the proposed approach to arts funding be considered in conjunction with, but separate to, any contract for the management and operation of the theatre. Funding could then be reviewed in the medium term, and not be tied to timescales for the contract for the operation of the theatre. This would then provide flexibility to vary funding agreements in line with the changing needs and priorities of the council.

Succession planning/transitional planning/business continuity from January 2017 until a new management arrangement is in place

- 6.13 It is essential that the trust and stakeholder relationships which have been built up in recent months are maintained while the process of seeking alternative management options is undertaken. This will require theatre expertise, particularly in operations and programming, to work with the council's senior management team and the Castle on-site team.
- 6.14 It is recommended that no significant changes are made to the staffing structure and roles already in place. However it will be necessary to increase staffing in the areas of box office, front of house, marketing and technical, as the service becomes busy in key seasonal periods, and to meet service needs and demand. Additional funding may be required.

- 6.15 In addition strong financial and performance management will be needed to ensure that the theatre stays focused on delivering good control and value for money, within the defined and agreed budget and operating parameters. The management of this will come from within the council, and the final structures will be agreed by the Chief Executive, as head of paid service, and in consultation with the members previously appointed as Castle Theatre consultees.
- 6.16 It is recommended that the theatre continues to be programmed under the current arrangement of low risk (community hires and received popular events and film) against maximum yield in order that income and audiences are developed, thus providing a more attractive ongoing and viable offer for future operators.
- 6.17 It is further recommended that programming for 2017/early 2018 be continued and a Christmas show for 2017 be sought in early January 2017.

7 Legal powers

Advice from the council's legal and procurement teams will be required to undertake the recommended actions in preparing tender documentation.

8 Financial and value for money implications

- 8.1 The Options Appraisal suggests that some funding may be required to operate the Castle Theatre, certainly in the short term while trust is gained and relationships established with communities and external partners. It is recommended that this is at the same level or – preferably – lower than the existing budget for the Castle Theatre. Existing budget is based on the amount included in the previous contract.
- 8.2 The options appraisal report estimates the running costs of the Castle Theatre to be in the region of £50,000 more than the current budget. Further work to verify these figures is being undertaken and will be presented in the next report. At this point a supplementary estimate may be required to continue the operation of the theatre until more permanent arrangements are in place.
- 8.3 Over the medium term the aim would be to reduce the cost of the provision of a theatre in order to reflect the council's efforts to reduce the reliance on reserves.
- 8.4 Having the appropriate governance and business planning in place should enable this funding to reduce as the business moves to a commercial self sufficient model.
- 8.5 The potential funding of the arts will be included in the detailed report on the future management arrangements for the Castle Theatre. The advisory group will have had the opportunity to look at this in detail and make recommendations.
- 8.6 Outsourcing the theatre service and therefore operational risk to an external operator is essential. If the council continues to operate the theatre the demands on budget will be significant and cannot be sustained in the medium to long term without affecting other services. The recommendation outlined above to bring in theatre expertise, coupled with strong management, is likely to reduce the

council's funding requirements and at the same time provide further external investment and resource to develop the theatre's offer.

9 Risk analysis

- 9.1 A risk register is included in the Clover Theatre Management report.
- 9.2 Further risk analysis will be undertaken when presenting a report on members' preferred options, as part of standard due diligence procedures.
- 9.3 It is recognised that there is significant potential risk with any of the approaches outlined above, including: legal, financial, procurement, and reputation. These cannot be detailed until further examination of the preferred option has been carried out.

10 Implications for resources

- 10.1 It is recommended that the council engage a theatre specialist to produce the brief and tender documentation as well as provide strategic management support, on the basis of inherent knowledge and continuity of staff, user and stakeholder relationships, particularly promoters and producers. The current IHoTS is both knowledgeable about the theatre industry and the Castle Theatre itself, so her continuity in the role - subject to compliance with contract rules – would provide the most effective solution.
- 10.2 Financial and administration support provided by the council will still be required to support the current operation, the officer team on site and the tender process. A temporary member of finance staff will be needed for the interim arrangements, and will be part of the succession planning requirements delegated to the Chief Executive.
- 10.3 The continued operation of the Castle Theatre and the tender process will continue to require the time and leadership of the senior management team and other council staff; however ensuring a robust succession plan is in place from January 2017 will aid planning and efficiency.

11 Implications for stronger and safer communities

The Castle is managed in accordance with all relevant legislation to ensure the premises is compliant and safe for users, artists, staff and the public.

12 Implications for equalities

The Castle Theatre considers access and equality in all areas guided by BCW's policies and industry standards and good practice.

13 Author and contact officer

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14 Consultees

John Campbell, Chief Executive
Hazel Clover, Interim Head of Theatre Services, Borough Council of
Wellingborough
Julie Thomas, Head of Planning and Local Development
Paul Burnett, Principal Property and Facilities Manager
Castle Theatre staff
Tom and Paul Hewer – Hewer Enterprises
Community Users (detailed in Clover Theatre Management report)
Public Meeting (5th December)
Industry consultees and benchmark venues (Options Appraisal Report)

15 Background papers

Committee papers – Sept 2015 and March 2016
31st May 2016 Extraordinary Meeting papers
Management and operation of Castle Theatre by Clover Theatre Management –
exempt as it contains details of third party business information
Technical review by Theatre Project consultants – exempt report because it is in
draft form and cannot be published until signed off

Appendix 1

Extracts from “Management and Operation of Castle Theatre - Review and Options Appraisal” by Hazel Clover of Clover Theatre Management

The Castle Theatre within the local area

“An overview of the theatres is provided in the table below:

	Governance	Capacity ¹	Programme/Artistic Policy
The Lighthouse Theatre Kettering	Phoenix Leisure Ltd	548	Receiving
Corby Core at Corby Cube	Northampton Arts Trust Ltd	445	Receiving / Participation
Errol Flynn Theatre	Northampton Arts Trust Ltd	90	Film
Bedford Corn Exchange	Bedford Borough Council	501-830	Receiving
The Masque Theatre Kettering based in Latimer Arts College	Phoenix Leisure Ltd	224	Community theatre
Milton Keynes Theatre	Milton Keynes Theatre & Gallery Company / Milton Keynes Theatre Ltd / Ambassador Theatre Group	900-1400	Receiving
The Deco	Independently owned	900	Receiving

Industry context

“Theatres fall in to 3 main functioning categories – Receiving, (or Presenting), Producing houses or a hybrid of both. The funding and operational need is largely dictated by the functioning model.

Receiving or Presenting house - Shows and events are brought to the theatre having already been produced (‘made’) elsewhere. These shows and events are usually produced to tour to a number of similar theatres nationally or internationally. The Theatre procures the show ‘fully packaged’ and is not involved in title, cast, set, music, design or branding. A financial agreement (‘deal’) is agreed between the theatre and external producer/promoter that sets out who provides what investment and resource in order to present the show which includes ticketing, marketing and advertising, production and technical obligations. The potential financial risk or gain is shared and set in in a contractual agreement.

Castle Theatre is currently being operated by BCW as a receiving house.

Producing house - shows and events are funded and produced ('made or created') within the theatre's own operation, resources and in-house company. Depending on the theatre's resource infrastructure some functions are carried out in house and some may be procured externally by the theatre's artistic team. For example, set construction, sound and lighting design, casting and scripts may be brought in from other sources. Home produced shows may then be toured to other suitable theatres.

The New Wolsey Theatre in Ipswich is an example of producing house.

Hybrid – Theatre receives shows but may produce or commission some productions within their own operation and resources, for example the annual pantomime.

Towngate Theatre, Basildon and Harlow Playhouse are examples of a hybrid model.

The extend of supporting activity such as use by community organisations, education and outreach and participation work is generally linked to the theatre's operating model and artistic policy subject to building capability (space), resource and funding sources.

5.2 Programme & Artistic Policy

A theatre's Programme and Artistic Policy is integral to the Theatre's Mission Statement and Strategic Aims and Objectives. The Programme and Artistic Policy sets out the Theatre's policy on programme content and the basis on which shows and events are procured."

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7.1 Interim Growth

Support for Castle Theatre is such that the usage levels are increasing and there will be a need to engage more staff in serviced based roles such as front of house, box office, front of house, marketing, programming and finance.

8 Ancillary services (secondary spend)

Ancillary income refers to other income which is not generated through live performance ticket sales. Theatres generally rely on various methods of generating additional income to supplement and support their ticketing income generated by performance programmes and artistic delivery. Ancillary income is mainly sought through catering, hires (rentals) and fees and charges.

8.1 Bars and Catering

Income from bars and catering is a vital source of income for all theatres. Achieving the right offer can be difficult and is dependent on the venue's physical make up and location of other competition, challenged further by the range of customers a theatre receives across its calendar year. Customer

expectation and demand will vary according to the nature of the event and the time of day.

Catering for Castle Theatre is undertaken by Hewer Enterprises who operate a burger restaurant in the theatre called Franks. Hewer Enterprises operate several catering outlets across Northamptonshire that includes the Royal & Derngate.

The arrangement between Hewer Enterprises and the previous company was based on an annual fee and commission on sales basis. ...Consequently, their income has been severely hindered. The arrangement between Hewer Enterprises and BCW will be reviewed in January 2017 when both parties are in a position to consider the business case based on known activity from the 2016 Autumn season and the Christmas show so that a revised temporary arrangement can be agreed pending long term decisions.

Although Hewer Enterprises operate the bars and catering on a concession basis, the reality of the relationship on site is very much a partnership arrangement with both Franks and Castle Theatre staff working together to provide a quality customer service. Casual staff also work across services providing bar, box office, duty management and cleaning services, thus enabling economies of scale and enabling service needs to be met according to demand.

Many independent theatres (mainly trusts) own and operate subsidiary companies that provide their catering provision. This arrangement enables the companies to operate commercially outside of the Trust's charitable not-for-profit purposes. Surplus or profits are then donated or gifted back to the Trust.

HQ Theatres who manage Crewe Lyceum and Hayes Beck theatres and Parkwood Theatres who manage the Hazlitt in Maidstone draw on expertise and resource from their group company in ensuring a quality catering offer for their venues. HQ Theatres place particular value on hospitality facilities in their venues in which they have committed considerable investment. The Crewe Lyceum offers a 2 or 3 course pre-show dining menu in its Lyceum Restaurant with a focus on local produce. Dining and music events are also presented in Circle Suite.

As catering income is so fundamental to the success of any theatre, it is likely that who provides catering and on what basis and to what offer will be an integral part of the Council's specification and negotiation for the theatre's long term operation.

8.2 Rentals (non-performance hires)

Rentals contribute to a theatre's income base in varying degrees according to the available spaces and occupancy availability outside the core performance programme.

Castle Theatre has benchmarked with various similar venues to implement a short-term rental package as shown in the table below.

The theatre has welcome a number of hired events since opening, including conferences, wakes and meetings, however has not as yet had the opportunity timewise to develop or market a rental package.

This work will be looked at in the new year on initiatives that can generate income and usage in the short term.

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12.1 Projected year end trading August 2016 – August 2017

Castle Theatre Projected Income and Expenditure Year 1 August 2016 - 2017

Income						
	No of perfs	50% house avg	Ticket price avg		Total per perf	
Professional programme	78	250	£ 12.37	£ 3,250.00	£ 241,215.00	
Community programme (main)	38	250		£ 800.00	£ 30,400.00	
Community programme (studio)	27	60		£ 200.00	£ 5,400.00	
Film	81	250	£ 6.44	£ 1,750.00	£ 141,750.00	
Live streamings (main)	13	250	£ 13.81	£ 3,452.50	£ 44,882.50	
Live streamings (studio)	14	60	£ 13.81	£ 828.60	£ 11,600.40	
Franks						£ 5,000.00
						£ 480,247.90
Expenditure						
Set up costs						£ 95,664.55
Operating costs Year 1						£ 717,288.26
						£ 812,952.81
Total cost estimate projection (subsidy)						£ 332,704.91

Note: Doesn't include central costs (corporate recharges and depreciation)

13 Case Studies

Towngate Theatre, Basildon (Local authority operated)
Beck Theatre, Hayes (HQ Theatres on behalf of London Borough of Hillingdon Council)
Hazlitt Theatre, Maidstone

New Wolsey Theatre, Ipswich (Charitable Trust, ACE NPO)
Lighthouse Theatre, Kettering (Independent commercial operator)

2 examples -

New Wolsey Theatre

Mission Statement: To create, develop and produce a vital and dynamic programme of theatre and other live performance and projects, for all people of Suffolk and surrounding areas.

The New Wolsey Theatre is a 400 seated producing house located in Ipswich, Suffolk. The theatre was opened in 1979. The theatre has always been run by an independent theatre company but due to financial challenges was closed in 1999. The new Wolsey Theatre was re-opened in 2001 under new management as a charitable trust, under which it has thrived to become one of the UK's most successful and active producing houses, with diversity and accessibility being core to their work.

The New Wolsey's programme is primarily made up of in house produced work, which it also tours to other venues, and touring produced work. The theatre also run an annual 10 day festival called Pulse which promotes live performance new work across all art forms including theatre, dance, music and comedy.

The theatre produces their own in house rock n roll pantomime whose unique format of alternating live music and traditional pantomime on one stage, at one time, and by the same artists (approx. 9 company) has grown to be one of the most successful in the country. ...

The theatre is located on the edge of Ipswich town centre, just off the main shopping street. Its frontage, although not afforded by attractive views, has enabled a pleasant outside dining space to be developed. The theatre hosts a ground floor café and upstairs gallery bar.

The Staff compliment, which is comparatively high with 50 full time equivalents and over 100 volunteers, reflects the level of producing and education activity undertaken.

As a National Portfolio Organisation, The New Wolsey receives the second highest level of funding for a theatre from Arts Council England South East region totalling £2,559,084 between 2015 and 2018, Chichester Festival Theatre being the highest at £5,220,642. The theatre also receives grants funding from the local and county authority and has also been successful in achieving other funding from other grants and fundraising.

Hazlitt Theatre

Mission statement: not known by report authors

The Hazlitt Theatre (previously referred to as Hazlitt Arts Centre) is a 400 seated theatre located in Maidstone in Kent. It opened in 1955 and is named after William Hazlitt an essayist born in the town in 1778.

Owned by Maidstone Borough Council, the theatre has been managed by Parkwood Theatres since 2013. Parkwood Theatres is a division of Parkwood Leisure who manage a number of leisure centres across the UK. Parkwood Theatres also operate the 800 capacity Hawth in Crawley and the 600 capacity Playhouse in Weston-Super-Mare.

The Hazlitt Theatre is a receiving venue that presents a popular programme across the year including an annual pantomime. The Hazlitt is home to the Hazlitt Youth Theatre and an education programme of workshops and 3 – 5 day residencies working with primary and secondary schools.

The Hazlitt Theatre also comprises the adjoining 150 capacity Exchange Studio which provides a flexible space for theatre (in the round), dance and includes a trust stage and its own dressing rooms and bar, a further rehearsal or meeting space (The Fourth Floor) and a small bespoke Gallery (the Graham Clarke Gallery).

Maidstone Council pay a management fee to Parkwood Theatres which is intended to decrease annually as Parkwood Theatres develop theatre's services. ... As part of the management agreement, Parkwood Theatre intends to increase performances, audiences, education activities and rentals, introduce a loyalty card scheme already in place across the group's leisure centres and develop catering facilities by bringing in its own proven café brand. ..

13.1 Summary of Case Study venues 2013/14

The comparative studies show that the wealth of provision provided comes at a cost. New Wolsey Theatre is one of the most successful theatre in the UK but it receives significant funding from a number of sources. This has been achieved by demonstrating a strong business case drawn from strong management and leadership embedded in adopted strategy and agreed performance objectives.

At the other end of the spectrum, it is OK that a theatre provides only for a core purpose of community usage, popular touring shows and films.

Every theatre, town, demographic and historical influence is different and a successful model is what is right for the theatre in question.

14 Future Management and Operation Options Appraisal

14.1 Purpose and Objectives

Borough Council of Wellingborough is committed to providing Castle Theatre as a performing arts venue for Wellingborough that includes supporting the various arts groups and organisations that rely on the theatre to present their work and productions on a regular basis. As part of the options looking at the long term management and operation of Castle Theatre, it is recommended

that an Arts and Cultural Strategy be produced that can address the following key questions:

- What is BCW's ongoing commitment to arts and culture in Wellingborough, and where does the Castle Theatre sit within future strategy and provision?
- What other performance platforms are there in Wellingborough and are there opportunities for partnership working, for example the Museum and Glamis Hall?
- What are the overriding aims, vision for Wellingborough's cultural provision and where do the performing arts sit within this vision, bearing in mind that the Castle Theatre is the only professional performance space in the town?
- Which community organisations currently receive funding from the BCW Voluntary Sector Fund (or other funds) and are there benefits from reviewing wider cultural provision across Wellingborough?
- Where do Council SMT and members see Castle Theatre being in 10 years' time? What do they want it to be?
- Who is best placed to operate and manage the theatre to achieve the wider objectives?

14.2 Management and operational models

Of the 5 case studies looked at for this report, 1 is owned and operated by a local authority (Towngate Basildon), 2 by a commercial operator on behalf of a local authority (Hazlitt Theatre – Parkwood Theatres and Beck Hayes – HQ Theatres), 1 privately run as part of a wider conference/leisure offer (Lighthouse Theatre Kettering) and 1 independent trust (New Wolsey Theatre Ipswich).

The sample reflects the national average which suggests that less than 30% of theatres and performance spaces are now directly managed and operated by local authorities. Support for arts and entertainment by local authorities remains discretionary, but most local authorities cite community wellbeing and engagement and cultural economic benefit through access and tourism as reasons to support performance venues. However increasing pressure on budgets for statutory services has seen many local authorities re-consider how their arts services are delivered and by whom, and there are a number of authorities currently seeking alternative solutions, including Harlow Council and Swansea Council.

Other than by a local authority, there are 6 other ways by which theatres and performance spaces are now generally managed and operated in the UK: Outsourcing to a private sector commercial operator, outsourcing to an

existing trust or social enterprise, transferring to a newly established trust or social enterprise, establishing a public private partnership (PPP) or delivering through schools, universities or other established service body. In most cases, the local authority maintains ownership of the building (the 'asset') and the operator runs the service according to a lease and management agreement and 'scope of services'.

Most theatre trusts operate as a private company limited by guarantee or shares and most are also registered charities, set up for the purpose of promoting the arts for public benefit. The governing body is generally made up of board of directors who are also trustees of the charity. Some Theatres such as the Key Theatre in Peterborough and the Gordon Craig Theatre are managed within large trusts that also operate other leisure and cultural activities. In 2014, Hampshire County Council set up Hampshire Cultural Trust which operates 23 arts facilities across Hampshire that includes museums and galleries and 2 art centres; The Ashcroft Arts Centre and Forest Arts Centre.

Many theatre trusts are eligible for Arts Council England funding to support their artistic and community activities. For some theatres this represents a significant contribution to their income as demonstrated by the New Wolsey Theatre who receive regular funding from ACE as well as the town and county councils and other funding mechanisms.

HQ Theatres is the UK's second largest theatre operator (after Ambassador Theatre Group) who manage 11 venues across the UK including the Beck Hayes which is included as a benchmark example and case study in this report. Other examples of commercial operators includes Parkwood Theatres whose management portfolio includes The Hazlitt Theatre in Maidstone, also included as a benchmark example and case study in this report. Parkwood Theatre operate 2 further venues (Playhouse Western Super Mare and Crawley Hawth, both on behalf of local authorities)

The following management options can be considered for Castle Theatre

- Establish a new independent Trust or not-for-profit organisation
- Partner with / become a subsidiary of an existing Trust or not-for-profit organisation
- Operated by a commercial theatre operator or other commercial body
- Continue to be managed and operated by BCW
- A hybrid of the above

a) Considerations of outsourcing to a Trust

Joining with an existing theatre trust brings benefits of economies of scale, shared risk and the business plan and possible advance of the board (and trust operation) already being 'bedded in'.

A successful Trust would require a strong, committed Board made up of expertise from business, the industry and the community. A strong, committed Chair is vital in the relationship between the theatre CEO which would be appointed by the board. Soft testing would be required to ascertain board potential in Wellingborough.

Joining with an existing theatre trust brings benefits of economies of scale, shared risk and the business plan and possible advance of the board (and trust operation) already being 'bedded in'.

Joining or establishing a trust with a neighbouring (or other) trust will require a greater degree of feasibility work, market assessment and consultation which we have not explored further in this report. Sharing resources with neighbouring venues (package programming, staffing, and box office) may also warrant consideration, however this arrangement is unlikely to deliver savings and only generally works if resources are managed under one umbrella of management and policy.

Should a trust be established, it is recommended that BCW sets up a working party to include Castle staff, senior officers, and representation from legal and financial services. It is not recommended that the working party includes users of members of the community who may have a vested interest in the outcome or who may wish to be part of the new operation. The working party then appoints a Shadow Board and Chairperson. The Shadow Board works with the Working Party to drive the change including establishing the company and charity and governance relating to the lease, transfer of undertakings (TUPE) and management agreement. This process has proven to work as a model for newly formed trusts as it allows all parties to own the process and ensures that due diligence is given to all mitigating factors. This model was used by Waveney District Council when formulating the Marina Theatre Trust in Lowestoft in 2011. The Council needed to review its budget provision for discretionary services. It is suggested that the Marina Theatre Trust model is working as a result of the Council and shadow board owning the will to make it happen and working jointly to give their time to achieve the purposes and objectives of the trust and its future role in Lowestoft. The Marina Theatre is a receiving theatre that receives no regular grant funding. ..

Waveney District Council's model has been used as an industry case study hence its relevance here, and included to emphasise the importance of partnership working between stakeholders when outsourcing services. The annual management fee cited is given as an example, appropriate in the Marina Theatre's case to reflect the agreed service outputs. It is not suggested that [a specified] annual cost for BCW to outsource the Castle Theatre to a trust; any cost for BCW will be subject to the bespoke needs of Wellingborough.

Learning by example and good practice shown by the benchmark venues, we suggest the following general principles need to be in place for a workable trust model:

- Will and commitment by all stakeholders to make it happen
- Robust business case
- Strong Chairperson to lead the Board
- Committed, multi-skilled Board to set policy and objectives and to be accountable for the trust and all its undertakings
- Experienced Chief Executive and staff team to produce and deliver the Business Plan and day to day company and charity purposes
- Process by which dialogue is productively maintained and fostered between the Trust, Council and other stakeholders

Should a new trust be set up, it is recommended that BCW manage this process which includes setting the aims and objective of the company (Articles of Associate) and the charity objectives as well as recruiting a shadow board who are then in a position to lead and own the implementation of the trust.

Should this option be explored, BCW will need to build trust with all stakeholders that new processes put in place are sufficient to mitigate a repeat of what happened with the previous company.

b) Partner with / become a subsidiary of an existing Trust

Joining with an existing theatre trust brings benefits of economies of scale, shared risk and the business plan and possible advance of the board (and trust operation) already being 'bedded in'.

Joining an existing establishing a trust will require a greater degree of feasibility work, market assessment and consultation to ensure both parties needs and objectives are met.

Sharing resources with neighbouring venues (package programming, staffing, and box office) may also warrant consideration, however this arrangement is unlikely to deliver savings and only generally works if resources are managed under one umbrella of management and policy.

Northampton Arts Trust currently operates a number of cultural services within its 'family' in Northampton that includes the Royal & Derngate, Errol Flynn cinema and Core at Corby Cube. The Trust has grown and developed steadily through strategic planning and strong leadership and management. Although the Trust are considering new opportunities to develop their business base, managing Castle Theatre is not an option that the Trust would consider at this time, however provision of services may be considered.

Cost implications to the Council of outsourcing to a Trust

- A Trust will require a subsidy from the Council which may also require a degree of involvement from Council staff and 'backroom' resources, for example IT, payroll.
- Trustees lend their time and expertise voluntarily to oversee and be

- accountable for the overall strategy, policy, management and operation.
- The necessary skills may not be available in Wellingborough to formulate a workable Board, therefore a Trust may not add further value to the current governance model of Council run.

Financial risk estimate to Council: Medium to High

c) Considerations of outsourcing to a Commercial theatre operator

Both HQ Theatres and Parkwood Theatres are reviewing their operating models to reflect the increasing need by local authorities to consider their discretionary service provision, particularly for smaller and middle-scale theatre houses. This may include developing hybrid partnerships that could see a mix of commercial operation and not-for-profit arrangements (subsidiary trusts) that could enable grant funding and independent producing opportunities to be incorporated into partnership agreements. They recognise that community engagement and artistic development (the flexibility to co-produce and commission work i.e. pantomime) would be important factors for many theatre.. Both operators have indicated that Castle Theatre poses a strong business case and could be of potential interest.

Parkwood Theatres is a division of Parkwood Leisure who have a proven track record managing many leisure centres across the UK on behalf of local authorities. Their theatre division includes 4 venues including Hazlitt Maidstone and The Hawth in Crawley.

HQ Theatres is part of Qdos Entertainment Group whose business base is solely theatre and hospitality focused which includes managing venues, providing theatre services and producing which includes Qdos Pantomimes. HQ Theatres manage 11 theatres across the UK including the Crewe Lyceum. Their venues range in seating capacity from 224 (Swindon Arts Centre) to 1,657 (Cliffs Pavilion Southend). Each venue differs in size and programme offer. Venues are primarily programmed, marketed and operated from the venue but with the benefit of shared programming (economies of scale) across the group where beneficial. Resource support is provided from the group's base in London where regular networking and meetings between the venue Directors is fostered. HQ Theatres place importance on hospitality and catering to support their programmes and community work which has included considerable investment in the theatres they manage. Should commercial operation be explored further we suggest HQ Theatres' and Parkwood Theatre's model may benefit Castle Wellingborough, but only on the basis that community engagement continues as fundamental to the theatre's programme and artistic policy.

This is not an exhaustive list of commercial companies that operate in the performance sector. Soft market testing and a robust tendering process will be required as part of the tender process.

Cost Implications to the Council of outsourcing to a commercial theatre operator

- Known long-term annual cost.
- Financial risk transferred.
- Theatre expertise (theatre is their business). 'Backroom resources' (i.e. accountancy, payroll, HR, training, insurance, licensing etc.) provided from the wider company.
- Greater access to productions and shows.
- Potential for financial investment in the building, i.e. catering and hospitality.
- Minimal resource required of Council support/corporate officers. In house resource to develop theatre management and staff.

Financial risk estimate to Council: Medium

d) Considerations of retaining in house

Continuing to manage the theatre within the Council's operation will be necessary if no alternative suitable operator or partner is sought.

The Council are solely responsible for re-opening the venue following the closure by the administrator at the end of June. Access to reserves enabled the numerous bonds and deposits to be paid in order to re-engage suppliers, promoters and film distributors. There is a continued security gained from continuing on this basis, however further growth in services may be limited due to limited funding and the annual uncertainty of subsidy will remain. It is already evident that necessary services such as IT, procurement, finance and HR conflict with a theatre's way of working, out of hours operation and partner expectations (promoters, producers etc.) in terms of delivery and timescales.

Providing cultural services has not previously been part of BCW's remit and policy framework and resources are already stretched in meeting back room service demand.

Should Castle Theatre continue to be operated by BCW it is recommended that the service is managed as an arm's length function of the council where staff are employed to provide 'backroom' functions on site and independent of the council for some systems and processes, particularly procurement, payments and IT. The more successful theatres that are operated by a local authority are managed on this basis, including Nottingham Theatre Royal.

In any event an experienced manager who is empowered and given the autonomy to develop the business plan and service, together with strong management in marketing, operations and technical will be essential.

Cost implications to the Council of retaining in house

- Status quo, with potential income generation opportunities identified through the development of the programme and ancillary services.
- Core team already in place.
- No costs for change.

Financial risk estimate to Council: Low to Medium

e) General considerations of out sourcing to an arm's length operator

If Castle Theatre remains operated by BCW it is unlikely, particularly initially while trust in the council is built and the business base is developed, that available funding will enable it to be much more than a basic receiving house with a focus on community hires and a minimal low risk received programme supplemented by film. Unless funding is available from other local sources to support growth in areas such as youth theatre, education, participation, artistic commissioning etc. Certainly, no funding will be available from Arts Council England unless a strong business case and expertise is in place and demonstrated. The building has many opportunities for service growth in its many spaces (currently the dance studio and rehearsal room are not being used) which may not be developed to maximum occupancy under the council operating model.

In all cases of arm's length operation it is likely that BCW would continue to own the building (asset in which the operator would manage the service) and therefore responsibility for its maintenance and upkeep would be retained by the Council, with cost, responsibilities and liabilities of such negotiated as part of a partnership/management, lease agreement and investment plan.

The Castle building is generally in good condition although a priority of works has been identified to be phased over the coming years. Some internal facilities including the main auditorium seats and technical equipment are in need of system upgrade or replacement and refurbishment. Partnership with a commercial theatre operator or other party will provide opportunities for additional investment to develop services and build the business base. Outsourcing to an arm's length operation will require management and ownership of all income revenue streams to be released to the operating party, including bars and catering, to enable the business case to stack up.

Cost to the Council would be dependent on the level of non-profit generating activity (amateur and community use) and the availability of the operator to source these funds elsewhere (within their organisation if a commercial operator or through funding if a trust).

An external operator would require full autonomy over staff and services..... It is likely that a new operator will wish to retain key functions such as marketing, technical and front of house where in house knowledge is of benefit. In any event an experienced manager will be essential whether secured from within the operator's own resource or recruited.

Provision of central support services, for example payroll and IT, would be subject to negotiation subject to the operator's resource capacity. A commercial operator is likely to have more resource.

Castle Theatre has already gone through a significant change in 2016. Any further changes to the way the theatre is operated will require careful evaluation of risk to services, current staff, users and stakeholders.

Outsourcing means releasing and empowering services not shedding them. Any partnership arrangement with an external body will require commitment and dedicated time to manage the relationship and through regular meetings, reporting and other performance management mechanisms.

The above provides an overview of possible management options that may be available for Castle Theatre. ..

14.3 Pros and Cons

	Pros	Cons
Outsourcing (Trust)	<ul style="list-style-type: none"> • Building generally fit for purpose and in reasonable condition • Opportunities for grant funding and fundraising • Opportunity to put in place own management team from scratch • Experienced team in place undertaking core functions in marketing, technical, front of house functions • Joint programming (if shared trust) • Complimentary programming (if shared trust) • Possible cost saving to Council • Financial risk transferred • Tax and VAT benefits 	<ul style="list-style-type: none"> • Extent of amateur and community engagement will still require a cost to the Council • New trust unlikely to hold reserves, or resource 'pot' from which to draw • Would rely on Council to invest in building to support business case and ability to deliver services • Loss of direct control (also a Pro) • Inability to source quality trustees, or unavailability of quality trustees that contribute required skill set and commitment • Set up costs (high) • Public / User / stakeholder trust (previous company)
Outsourcing (Commercial operator)	<ul style="list-style-type: none"> • Building generally fit for purpose and in reasonable condition • Annual long term cost (agreed management fee) known • Opportunity to put in place own management team from scratch • Experienced team in place undertaking core functions in marketing, technical, front of house functions • Expertise can be resourced with the operator company • Economies of scale in programming • Probable cost saving to Council • Investment in services, facilities and equipment opportunities • Financial risk transferred • Networking and training opportunities enhanced 	<ul style="list-style-type: none"> • Extent of amateur and community engagement will still require a cost to the Council • Loss of direct control (also a Pro) • Set up costs (medium)

	<ul style="list-style-type: none"> • Imbedded knowledge – theatre is their business • ‘Backroom’ resources exist within company • Risk and responsibility for management, programme and operation entirely removed • Council's requirement for community usage protected and known through management agreement and SLAs 	
Council	<ul style="list-style-type: none"> • Building generally fit for purpose and in reasonable condition • Core, competent team in place • Opportunity to review and consider Castle Theatre in the context of overall arts and cultural provision in Wellingborough (Arts Strategy) • No set up costs 	<ul style="list-style-type: none"> • Strain on current support service resource – finance, IT, HR, property services, senior management • Subsidy (cost) subject to operational activity and therefore not known each year • Limited options for cost saving • Central recharges can fluxuate each year in which Managers have no control, but effects bottom line out-turn • Income growth restricted due to non-eligibility of grant funding and access to fundraising benefits • Council bureaucracy – levels of decision making restrict efficiency and development • Staff investment costs - current operation is running on lean team. A strong management team will be required to be put in place if BCW continue to run it.

14.4 Options for Castle Theatre

The Castle Theatre has been through a number of changes in management since it opened in 1995. The previous company going into administration in June 2016 has impacted financially on the public, users and suppliers who are not trusting that the same will happen again.

The Council have an opportunity now to put in place a committed long term strategy for Castle Theatre.

It is recommended that the following key questions guide this process:

What? Purpose, aims and objectives, mission statement

Who? Governance, management, operation, staffing, users, community

How? Programme, facilities, build, funding, ancillary income needs

When? Targets and timescales

Based on the following long term goals

- Financial sustainability
- Protecting community use
- Cultivating effective working partnerships
- Increase participation and engagement with all sectors of the community
- Maximise income across all services and activities

Option 1. Outsource to a Trust or other non-for-profit organisation

- The management fee and central recharges may be reduced if the Trust is able to provide 'backroom' resource from within the Board skill base or from external sources available to them. Unavailability to resource from a wider group or company may require the Council to invest in more set up costs and on-going costs in order that the Trust can be viable.
- An existing trust or other non-for-profit organisation does not have to be a cultural or theatre organisation as long as financial standing can be demonstrated and a understanding of the council and community requirements, however providing the required expertise and professional networks, particularly in programming, will be a criteria the council will expect the operator to provide
- A new Trust model is likely to be entirely independent and generally not able to draw from a wider company pool of resource.
- The UK's successful theatres are run by trusts that operate as private companies (by guarantee or share) which are also registered charities. Many trusts run independent commercial subsidiaries to maximise ancillary income, profits of which are gift aided to the charity.
- An increasing number of established trusts have developed their offer to include other venues, an example being Northampton Arts Trust that manage Royal & Derngate, Core at Corby Cube and the Erroll Flynn cinema. This may be an option for Castle Theatre.
- There are an increasing number of local authorities outsourcing all their arts and cultural activities under one umbrella trust, thus streamlining funding and resource. This may be an option for BCW however it is recommended that an Arts & Cultural Strategy be produced to inform feasibility further and consultation with existing stakeholders undertaken as part of this process.

Option 2. Outsource to a commercial theatre operator or other commercial body

- The rough figure proposed is based on current management fees paid by local authorities to HQ Theatres and Parkwood Theatres to manage theatre services on their behalf. This is an estimate. A precise figure cannot be given prior to negotiation with the operators and the management arrangement agreed between parties dependent on expected service outcomes and cost to provide.
- £90,000 annual building maintenance budget estimated to ensure reasonable repair and safety of the building asset. The operator would likely be responsible for all internal technical and IT, and catering facilities and non-fixed equipment.
- Minimal fee for WBC (estimated at £1,000 per annum) to meet with the operator on a regular basis to manage and monitor the partnership against expected performance indicators.
- Castle Theatre's proximity to the town, make up of spaces and overall potential the building offers for service development and subsequent income is already attracting interest from potential commercial partners.

Option 3. Remain operated by BCW

- It is strongly recommended that arm's length arrangements are agreed and implemented if BCW continue to operate Castle Theatre in house.

Option 4. Hybrid / Combination

- Every town, theatre and demographic is different and no one models fits all situations. A hybrid of governance may be an option for Castle Theatre which brings in a mix of commercial involvement necessary to develop the core business of professional programming and ancillary services and charitable activities run by a trust that can benefit from separate funding streams and tax benefits. Ambassador Theatre Group (ATG), the UK's largest theatre group who own and/or operate 39 theatres across the country (ableit mainly large scale theatres rather than BCW's small scale Castle Theatre) manage theatres according to this model. An example is Milton Keynes Theatre where ATG operate the theatre

16 Risk Register

Risk	Consequence	Controls	Likelihood	Impact
No suitable alternative operator sought	Castle Theatre run in house Castle Theatre closes	Building in good condition Public and stakeholder support - Programme (relationships) developing and audience building Robust but flexible tender Brief and Specification Succession / transition place to ensure business continuity and audience development	C	2
Trust in BCW	Limited interest in managing Castle Theatre	Robust but flexible tender Brief and Specification Succession / transition place to ensure business continuity and audience development	B	2
Lack of audience data	Hinders ability to reach audiences	Public and stakeholder support - Programme (relationships) developing and audience building. Data base already at 3,000+	D	1
New arrangement not sustainable (company folds / contract ceases)	Starting again Further lack in trust Cost	Robust but flexible tender Brief and Specification Contract management processes in place	A	3

Risk Management Assessment Table

A				
B				
C				
D				
	4	3	2	1

Likelihood

A	Probable
B	Reasonably probable
C	Remote
D	Extremely remote

Impact

1	Catastrophic
2	Critical
3	Marginal
4	Negligible

Appendix 2

Overview of theatres with similar capacity to Castle Theatre, Wellingborough

Venue	Location	Region	Population	Capacity	Auditorium format	Studio capacity	Programme & Artistic Policy	Governance
Kenneth More	Redbridge	GL Borough of Redbridge	279,000	365	1 tier fixed	50	Receiving	Redbridge Theatre Company
Towngate	Basildon	Essex	174,500	775 ¹	Multi form	188	Receiving	Basildon Council
Theatre	Hertford	Hertfordshire	28,000	400	Retractable raked	Dance	Receiving	East Hertfordshire District Council
Queens	Hornchurch	GL Borough of Havering	26,000	500	1 tier fixed	Yes	Receiving and Producing	The Havering Theatre Ltd
Civic Hall	Broxbourne	Hertfordshire	93,600	490	Flat floor/part retractable	No	Receiving	Borough of Broxbourne Council
Broadway	Barking	GL Borough of Barking & Dagenham	185,911	341	Multiform	No	Receiving	GL Borough of Barking & Dagenham
Theatre Royal	Stratford	GL Borough of Newham	307,984	450	3 tier fixed	Yes	Producing	Pioneer Theatres Limited
Civic Theatre	Chelmsford	Essex	168,310	505	Multiform	177	Receiving	Chelmsford City Council
Wyllotts	Potters Bar	Hertfordshire	21,882	420	Multiform	No	Receiving	Hertsmere Leisure Charity
Gordon Craig	Stevenage	Hertfordshire	84,400	507	1 tier fixed	Rehearsal	Receiving	Stevenage Leisure
Rhodes Arts Complex	Bishop's Stortford	Hertfordshire	37,838	299	Multiform	Dance	Receiving	Rhodes Birthplace Trust
Playhouse	Epsom	Surrey	31,489	450	1 tier fixed, side boxes	80	Receiving	Epsom Ewell Borough Council
Octagon	Bolton	Greater Manchester	276,800	500	Multi form	100	Producing	Octagon Theatre Trust Ltd
Coliseum	Oldham	Greater Manchester	224,897	524	3 tier fixed	60	Receiving and Producing	The Oldham Coliseum Trust Ltd
Playhouse	Salisbury	Wiltshire	40,000	517	1 tier fixed	149	Receiving and Producing	Salisbury Arts Theatre Ltd
Theatre	Camberley	Surrey	38,000	404	Multi form	No studio	Receiving	Surrey Heath Borough Council
Key Theatre	Peterborough	Cambridgeshire	184,000	379	1 tier fixed	94	Receiving	Vivacity Culture & Leisure
New Wolsey	Ipswich	Suffolk	133,000	400	Stalls fixed rake	93 (off site)	Receiving and Producing	The New Wolsey Theatre Company Ltd
Playhouse	Oxford	Oxfordshire	150,000	663	2 tier fixed	50 (off site)	Receiving and Producing	The Oxford Playhouse Trust
Octagon	Yeovil	Somerset	42,000	622	1 tier fixed rake	No	Receiving	South Somerset District Council
Lyceum	Crewe	Cheshire	84,000	677	3 tier fixed	Rehearsal	Receiving	HQ Theatres on behalf of Cheshire East Council
Theatre	Harrogate	North Yorkshire	158,000	500	3 tier fixed, side boxes	60	Receiving and Producing	Harrogate (White Rose) Theatre Trust Ltd
Hazlitt	Maidstone	Kent	113,000	400	2 tier fixed	150	Receiving	Parkwood Theatres on behalf of Maidstone Borough Council

¹ 548 seating capacity (755 capacity when stall seats removed).

Yvonne Arnaud	Guildford	Surrey	77,000	590	2 tier fixed	Yes	Receiving and Producing	Yvonne Arnaud Theatre Management Ltd, Theatre Trust
Palace Theatre	Redditch	Worcestershire	84,000	420	2 tier fixed, side boxes	70	Receiving	Redditch Borough Council
Castle	Wellingborough	Northamptonshire	75,000	494	Multi form	78	Receiving	The Castle (Wellingborough) Ltd
Everyman	Liverpool	Merseyside	466,000	405	2 tier fixed in the round	Yes	Producing	Liverpool and Merseyside Theatres Trust
Playhouse	Harlow	Essex	82,000	411	1 tier fixed	120	Receiving	Harlow Council

Note: Table 1 denotes venues that have studio spaces designed for performance (i.e. theatre, dance, rehearsal).

KEY

Council operated	Non-for profit charitable trust	Commercial operator
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